FBIS DAILY REPORT

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VICE PRESIDENT SAYS UK PROPOSAL UNSATISFACTORY

PY121415 Buenos Aires DYN in Spanish 1326 GMT 12 Apr 84

[Excerpt] Cordoba, 12 Apr (DYN) -- Argentine Vice President Victor Martinez has said that the recent British proposal concerning the Malvinas Islands "does not satisfy us," but he made it clear that the attitude which Argentina will take "will be discussed after Foreign Minister Dante Caputo returns to Buenos Aires from the United States." Martinez, who has been in Spain since yesterday, made these remarks to Cordoba Radio Universidad shortly after attending a session of the Spanish Senate.

He explained: "For us sovereignty is inalienable," adding that "we do not want to engage in adventures or bellicose attitudes which, even if they are not adventurous, constitute armed conflicts."

He added that "we advocate peaceful solutions to international conflicts" and warned that if disagreements are not overcome in the Malvinas affair, "it will become a source of severe insecurity and will jeopardize the possibilities of economic development of the region."

REACTIONS TO PREBISCH STATEMENTS REPORTED

PY121413 [Editorial Report] Buenos Aires NOTICIAS ARGENTINAS in Spanish at 1350 GMT on 11 April carried an approximately 1,400-word report on the survey by the news agency on the reactions to statements by presidential economic adviser Raul Prebisch regarding Argentina's talks with the IMF.

Jorge Triaca, one of the four secretary generals of the General Labor Confederation [CGT] said that Prebisch' statements "have clarified matters and placed them within their true scope, since after all the statements made" by the government "it has finally been admitted that the renegotiation with the IMF was based on traditional formulas." He also pointed out that the CGT will not accept that "salaries, and still less recession, will once again be the economy's adjustment variable." Triaca stated that "what Prebisch announced is what is happening now" because the government "implemented a policy aimed at orchestrating a national movement instead of a national policy that would allow everyone to pull the same cart forward. Therefore, the government is becoming increasingly isolated and President (Raul) Alfonsin will find it difficult to reverse that tendency."

Oscar Alende, president of the Intransigent Party, stated that the government's attitude regarding the foreign debt "represents disloyalty to the people," because President Raul Alfonsin "promised that he would not accept recessionary policies and, in fact, they have already been accepted."

Juan Trilla, chairman of the Senate Budget and Finance Committee, today denied that real salaries will deteriorate in view of an eventual agreement with the IMF and that the guidelines agreed upon with that international organization are of a recessionary nature. He said that the agreement with the IMF is just a draft and that "it must be admitted that the IMF, for the first time, has strayed away from its orthodox policy and accepted negotiating with a country without imposing recessionary conditions."

Justicialist Deputy Diego Guelar said that, in his opinion, the government's agreements with the IMF "are sure to fail" because the same thing that happened to the labor union reorganization law will happen to them once they reach Congress. He said that the government despises Congress and never consults with the legislators, and therefore, they learn about the decisions at the same time the media does through informal press conferences such as the one held by Prebisch.

Alvaro Alsogaray, president of the Center Democratic Union Party, said that the agreement Prebisch signed with the IMF "reveals the failure of the emergency economic policy implemented on 12 December" and that "it does not entail any commitments since it is only an expression of good wishes." He also stated that the document was only signed to keep Argentina from joining the list of defaulters and that the citizenry will only learn about the changes of the Argentine economic policy once the letter of intent is signed.

Peronist economist Eduardo Setti stated that the bases of the agreement signed with the IMF "clearly reveal a recessionary economic policy" that will only bring greater political agitation and that Prebisch' statements only contradict the president's assurance that no impositions would be accepted.

Former Justicialist Economy Minister Emilio Mondelli said that the consequence of the agreements with the IMF will be that the "general well-being of the citizenry will be worse, since each citizen will be a direct victim."

FOREIGN MINISTER INTERVIEWED ON U.S. VISIT

On New York Speech

PY111600 Buenos Aires Argentina Televisora Color Network in Spanish 0000 GMT 11 Apr 84

[Interview of Foreign Minister Dante Caputo by ATC journalist Roberto Maidana in New York; date not given -- recorded]

[Excerpt] [Maidana] Carefully going through the speech that you delivered at the Metropolitan (?Club) during the meeting you held a few hours ago with the Argentine-U.S. Chamber of Commerce, I see that you drew a very rough picture of the situation inherited by the Argentine democratic regime, and you stressed that Argentina will indeed meet its commitments, but that it is necessary for democracy to survive that the people enjoy a good social standard.

[Caputo] Yes. Obviously, I will not draw this rough picture of the situation for the Argentines, because I believe that [Caputo laughs] it would be almost indecent to do so. They, we, are enduring it daily. The other points we insist upon all the time are, on one hand, the willingness to pay, which has been reasserted by the Argentine Government on several occasions, while we have also reiterated that the payment must not jeopardize two mainstays of the Argentine economic policy, the reactivatin of the economy and the recovery of our people's standard of living. After so many years of recession and drops in salaries, I ask myself and the Americans what democracy would mean to millions of Argentines if that democracy winds up telling them that there will be more recession and further reductions in salaries. Such a democracy would be meaningless to many. We have recovered freedom, but we must also restore a decent standard of living, a standard of living which our people deserve.

Therefore, I thought that it was important to convey this type of idea to the Americans and also to the private sector, bankers and businessmen, who sometimes, with views limited by concerns over the technical details on the debt, perhaps forget the political connotations of the debt.

[Maidana] Do you believe that this time they have grasped the meaning of your words?

[Caputo] Look, my thinking is simple. They all support Argentine democracy. I told them that Argentine democracy deserves their interest and their support, but let it be clear that with freedom alone one cannot eat, that the success of the economy is the success of democracy, and that the rescheduling of the debt is a key point for the success of democracy.

[Maidana] Minister Caputo, anything else?

[Caputo] No, that is all.

[Maidana] Thank you, and good luck with your tasks.

On Meeting With Kissinger

PY121229 Buenos Aires Argentina Televisora Color Network in Spanish 0000 GMT 12 Apr 84

[Interview of Foreign Minister Dante Caputo by ATC journalist Roberto Maidana in New York on 10 April -- recorded]

[Text] Yesterday, after Foreign Minister Dante Caputo met with Henry Kissinger, Roberto Maidana interviewed the foreign minister. Here is the report:

[Begin recording] [Maidana] We would like you to give us a summary of the topics you discussed [with Kissinger], in addition to what your visitor has already told us.

[Caputo] Well, in the first place, the meeting with Dr Kissinger was very pleasant. He is not only a former U.S. Government official who is extremely well acquainted with the most practical aspects of the international political arena, but he is also undoubtedly a prominent thinker. I was pleasantly surprised with his way of thinking, with his profound thinking. We discussed a broad spectrum of topics; some of them were of a broad nature, others were related to current issues. We discussed Central America and Argentina's foreign debt. Dr Kissinger was very interested in the Argentine democratization process. He said something very important, that is, he was pleasantly surprised with the way Argentina is overcoming the difficulties it went through in recent years. He said that he was interested in a better understanding of this new democratic style in Argentina. In sum, this was a very useful meeting because, although Dr Kissinger is not a U.S. Government official, undoubtedly his voice is heard in the United States. Of course, his ties with the current U.S. Government are very strong. Furthermore, he has very good ties with the banking sector and with a third sector, a sector which has a bearing on the public, that is, the intellectuals and the press. Therefore, this was not only a cordial, interesting meeting, but we concurred on a number of issues.

[Maidana] Exactly, Dr Caputo. In keeping with what Dr Kissinger told us a few minutes ago, we may relate Dr Kissinger to one of the three ties you just mentioned, namely as a man with close ties to the influential banking sector. Kissinger stressed that our debt is mainly a political problem, an angle which deserves some thought, right?

[Caputo] Of course. Incidentally, this was one of the subjects we agreed upon with Dr Kissinger. This came as a surprise to me, because, as you know, this is an argument that we have been raising all the time. But before I even had a chance to raise it during this morning's breakfast, he said that he wanted to point out that in his opinion the debt problem may not be merely regarded as a simple banking operation. The debt problem goes beyond this, and it is essentially of a political nature. A great effort must be made to have everybody understand that there is indeed a political aspect or component in the debt negotiations.

[Maidana] Mr Minister, is there anything else you would like to mention? Anything about the meetings that you will hold today?

[Caputo] No. Just that the job here in New York is progressing satisfactorily and that the talks are rewarding.

[Maidana] Thank you, Dr Caputo. [end recording]

On Talks With Shultz, Bush

PY130315 Buenos Aires Argentina Televisora Color Network in Spanish 0000 GMT 13 Apr 84

[Interview of Foreign Minister Dante Caputo by ATC journalist Roberto Maidana in Washington; 12 April -- recorded]

[Text] On the international scene, Foreign Minister Dante Caputo's agenda has proven to be a very busy one, as shown by successive meetings with U.S. Secretary of State George Shultz, U.S. Vice President George Bush, and Democratic Senator Edward Kennedy.

After these meetings, Roberto Maidana, who is in Washington, prepared the following report for "30 Millones" [ATC evening news]:

[Begin recording in progress] [Maidana] ...o'clock today in Washington. On a truly very tight schedule, you have had two very important meetings. In order to proceed in an orderly manner, let us get started with your first interview, the one you held at the Department of State and your indeed lengthy, meeting with the head of this department, a department which to some extent is your counterpart in the U.S. Administration.

[Caputo] The visit took place in a truly cordial atmosphere. We discussed two topics; on one hand, a list of specific matters which concern bilateral relations. However, we both placed our emphasis on something which is not a specific matter, but indeed has a bearing on the overall relations between our two countries. We reviewed how, on many occasions, besides the many objective problems actually existing between two countries, whichever countries those may be, many problems arise because of an incomplete dialogue. Confusion is generated by confusion and confusion gives rise to problems, to be sure. We concurred on the need to avoid the risk of confusion, and we both explored possible mechanisms to avoid it's recurring in the future. I would say that during the meeting we reviewed the scope of our relations, not only looking back but essentially with an eye on the coming years, and I believe that this is very important. I reiterate that this wqs done in a truly cordial atmosphere. All of us, those who attended, were warmly received, something which was very pleasant for all. There is a possibility to continue exchanging ideas in the near future.

The other interview I held, as you know, with Vice President Bush, is also a sign of the interest that Argentina is arousing worldwide, in Latin America, in Europe, and in the United States. As you know, my visit is not an official one. This is a private visit, semiofficial, since I was invited here by the Council on Foreign Relations for a lecture. However, in spite of all this, the U.S. Administration, as a sign of its interest, has arranged for a number of interviews. Obviously, the two most outstanding ones are the ones that I held today. I held a lengthy meeting with Vice President Bush. We discussed matters that were similar to the ones we discussed with Secretary Shultz for 45 or 50 minutes in our meeting today. So things are progressing well, in a cordial atmosphere, and above all I believe that they are productive.

[Maidana] As you said at the beginning, Minister Caputo, the relations between our two countries have not always been all that smooth, or at least they have been out of the ordinary sometimes. Would you say that we are at the point of redefining this type of contact, this type of relation between Buenos Aires and Washington?

[Caputo] More than redefining it, I would say we are defining it. Because what Argentina has had thus far have been erratic policies, have we not? We are fluctuating greatly in our relations, not only with the United States but with the rest of the world. Furthermore, detached from the stands of a government, there is something in international politics that can never be done, that is, changing horses in midstream, if you allow me. But many times we were looked upon as being unpredictable people, or an unpredictable government, not unpredictable people. Our people are not like that. As in private business a pledge must be honored, it must be much more so in international political relations. So what we have to restore is the credibility of the Argentine Government, a credibility that does not mean concessions. It means to know what essential things we agree upon and to start off from these essential things to show that there may be different ideas in many contingent, secondary, or marginal questions. I believe that this is what we have been gradually achieving in recent times.

[Maidana] And besides the broad framework that you spoke about, was there any special topic discussed with Mr Bush or Mr Shultz during your encounters?

[Caputo] Well, yes. There were some specific topics. As you know, the agenda with the United States usually deals with the Central American issue, the foreign debt issue, the nuclear issue, that is, issues which always come up in bilateral talks. But I insist that besides these issues, on which we reiterated our points of view, we reached an understanding, a fairly significant understanding, on some Argentine points of view. Look, on the debt issue, as far as I can recollect, there was a great difficulty a few months ago in acknowledging that the debt is not only a technical problem but also a political one. When I talked with Secretary Shultz and told him about our ideas, he himself said that indeed the debt is not only an economic problem, but it is affecting democratic processes since it affects the economies of those democracies. This is the thinking which I have been conveying here during these past few days. Shultz agreed to regard this big issue of our time as a matter of a political nature as well. I believe that this surely brings closer our separate points of view.

[Maidana] Anything else, Minister Caputo?

[Caputo] No, nothing else. We will keep working, and I will talk with you tomorrow and Saturday. We have a fairly busy day tomorrow, as you must have noticed from the agenda.

[Maidana] That is true, and we will follow your activities closely. Many thanks, Dr Caputo.

[Caputo] Thank you.

PERONISTS SCORE 'LEBANIZATION' STATEMENT

PY120145 Buenos Aires BUENOS AIRES HERALD in English 11 Apr 84 p 9

[From column "Argentina in Brief"]

[Text] [DYN] -- The Justicialist National Board warned last night that "making the population restless will become increasingly risky," in an implicit criticism of President Raul Alfonsin's national address on Monday in which he predicted a "Lebanization" in Argentina if national unity is not achieved. In a statement issued after a meeting of the board, the Peronist leadership blasted Alfonsin for trying "to paralyze legitimate popular demands by dangling the phantom of civil war" before the nation. Meanwhile, the Buenos Aires branch of the Party neared a split as leaders of the Peronist caucus in the provincial Congress met to try to defuse the antagonism between deputies loyal to Herminio Iglesias and those opposed to the former gubernatorial candidate.

ALFONSIN VOWS TO MAINTAIN SALARY POLICY

PY120335 Buenos Aires TELAM in Spanish 2141 GMT 11 Apr 84

[Excerpt] Buenos Aires, 11 Apr (TELAM) -- President Raul Alfonsin today assured Radical Civic Union [UCR] deputies that the government will not change its salary recovery policy and told them that salaries will increase between 6 and 8 percent this year, even though some may think this is too much. Speaking briefly to 129 UCR deputies who visited him at his Olivos residence, Alfonsin urged them to have confidence in the government's action and to overcome internal disagreements, according to sources who attended the meeting.

Members of the UCR bloc in the Chamber of Deputies had lunch at noon today with the president at the Olivos residence and discussed current issues. At the end of the meeting, UCR bloc leader Cesar Jaroslavsky said the president absolutely confirmed the real salary policy, which continues to be his permanent goal. Jaroslavsky also said the president urged them not to drop the national banner if confronted with the dilemma of choosing between unity or Lebanization.

The meeting was also attended by Interior Minister Antonio Troccoli, Defense Minister Raul Borras, Labor Minister Antonio Mucci, Public Works and Services Minister Roque Carranza, and Public Health and Social Action Minister Aldo Neri.

Sources at the meeting said most deputies were satisfied by the presidential remarks in the wake of the uncertainty sowed yesterday by the announcement made on the subject by presidential economic adviser Raul Prebisch. Some of those who attended the meeting said the president assured them the government will not depart from its objective of increasing workers real salaries to above the inflation level.

ROUCO, LA PRENSA DIRECTOR EXEMPTED FROM PRISON

PY121341 Buenos Aires TELAM in Spanish 0748 GMT 11 Apr 84

[Excerpt] Buenos Aires, 11 Apr (TELAM) -- Today Federal Judge Norberto Angel Giletta exempted Maximo Gainza Castro, director of LA PRENSA, and columnist Jesus Iglesias Rouco from prison in the case brought against them on charges of alleged espionage due to the publication of a secret message from the Argentine ambassador in the United States to the Foreign Ministry.

MISSING PERSONS GROUP ON MECHANICS SCHOOL

PY121735 Buenos Aires BUENOS AIRES HERALD in English 12 Apr 84 p 1

[Text] (NA) -- The National Commission on Missing Persons presented federal courts with a list of the names of 123 men and women, many of whom are still listed as missing, who were seen in the Navy Mechanics School (ESMA) when it served as a detention centre during the "dirty war" against leftwing terrorism.

The commission likewise listed 41 persons as having participated in the detention, torture, and disappearances of these persons. Those accused include, among others, retired Vice-Admiral Ruben Chamorro, Navy Lieutenants Alfredo Astiz and Antonio Pernia, Navy Captains Vildoza, Jorge Perren, and Francisco Whamond, Navy Commander Jorge Acosta, a former ESMA chaplain by the name of Sosa, medical doctors Alberto Mengele and Jorge Magnasco, and police officer Roberto Gonzalez.

METALLIC SPHERE FOUND; PRESUMED FROM SATELLITE

PY121440 Buenos Aires LA NACION in Spanish 10 Apr 84 p 16

[Excerpt] (TELAM) -- A metallic sphere, presumably a piece of equipment from a satellite, has been found on the land of an agricultural establishment located in General Piran, District of Coronel Vidal, Buenos Aires Province.

The report, which was released today by the police of the Province of Buenos Aires, indicates that the discovery was made on Friday on the grounds of El Tigre Ranch, which is owned by Juan Carlos Paolino, where the ranch's foreman, Evangelino Perez, discovered "a greyish colored metallic sphere that is 50 centimeters in diameter and that weighs approximately 7 kilos" partly buried in a field. The police report indicates that the discovery was reported to the General Piran police station. "In view of the fact that the object could have fallen from a satellite, it was decided not to touch it and the Space Research Commission of the Federal Capital" was informed about the discovery.

CORRECTION TO ECONOMIC ADVISER PREBISCH ON IMF

The following correction pertains to the item headlined "Economic Adviser Prebisch on IMF Talks, Economy," published in the 12 April Latin America DAILY REPORT, Page B 2, last paragraph, line one:

...the IMF experts acknowledged that the proposals were correct and that economic recovery must be allowed to compensate for the considerable effect of fiscal deficit reduction. Prebisch stated that... (rewording)

NEW HOUSING-URBAN AFFAIRS MINISTER RESIGNS

PY130300 La Paz Radio Illimani Network in Spanish 0225 GMT 13 Apr 84

[Text] We are interrupting our regular programming to air a late report from Government House. The following is a report by Ricardo Andrade Gonzalez.

[Begin relay] A few minutes ago Housing and Urban Affairs Minister Walter Delgadillo Tercero submitted a letter to the president announcing that he is resigning from the post in which he was installed 2 days ago. The text of the letter reads as follows:

Dear Mr President: In response to a proposal made by my party, the Movement of the Revolutionary Left, Your Excellency honored me on 10 April by appointing me as your minister of housing and urban affairs. My decision to join your cabinet was primarily designed to reunify the Democratic and Popular Unity [UDP] in order to bring the democratic process back to channels which would be in the best interest of the workers and popular sectors. The decision made by my party and myself was designed to achieve this goal.

Yet the way the new cabinet is undertaking the adoption of economic measures to tackle the crisis is entirely out of keeping with the defense of the above interests which I, as a factory worker, modestly intended to defend.

Therefore, I find myself obliged to tender my irrevocable resignation to my post as housing and urban affairs minister. My decision is not intended to affect the participation of my party in the government.

Sincerely yours, Walter Delgadillo Tercero [end relay]

GOVERNMENT PRESENTS NEW EDONOMIC PACKAGE

Devalues Peso

PY130402 La Paz Cadena Panamericana in Spanish 0347 GMT 13 Apr 84

[Excerpt] Panamericana's mobile unit will report from Government House on the decrees and resolutions which have just been enacted by the government.

[Begin relay] We begin by reporting that Article 1 of Decree No 20,170 states: The new Bolivian peso parity is hereby fixed at 2,000 pesos to the U.S. dollar. The Bolivian Central Bank will fix the percentages of tax and commission for the exchange of currency.

Article 2 states that as of the date of this decree, the Monetary Board, in keeping with the prerogatives granted it in Decree No 20,160, will implement the new rate of exchange. [end relay]

Measures Released

PY130505 La Paz Cadena Panamericana in Spanish 0421 GMT 13 Apr 84

[Excerpts] We will now make a brief summary of the new economic measures that were enacted tonight.

We remind our listeners all over the country that the new Bolivian peso parity has been fixed at 2,000 pesos to the U.S. dollar.

Another very important measure is that a food bonus has been established as of 1 April for all wage earners of the country working in either the public or private sectors to compensate for the increase in the official prices of bread, oil, sugar, and rice. The food bonus will amount to 35,723 pesos and will be readjusted every time the official price of any of the previously mentioned staples is modified.

Furthermore, a new fuel price scale has been established. The new scale is included in an appendix which states that the new price of premium gasoline is 300 pesos per liter.

Another measure which obviously concerns our listeners is that the government established new urban transportation fares today.

There is a very important decree which states in its preamble that farmers will freely fix the prices of agricultural products along with the corresponding municipalities to guarantee the farmers a reasonable margin of earnings.

A transportation bonus has also been established. In La Paz, the bonus for employees who work on straight shifts will be 6,600 pesos and 13,200 pesos for those who work on split shifts.

There are also two other very important decrees. One states that the wage escalator clause established in the decree dated 5 November 1982 will be implemented on the wages and salaries of each worker every four months, starting on 1 April 1984.

The other decree establishes that all public and private industrial, commercial, and construction firms, and firms which render public services which have more than 50 regular employees must create worker cooperatives within the unpostponable term of 1 month.

Guidelines Approved

PY130540 Madrid EFE in Spanish 0501 GMT 13 Apr 84

[Text] La Paz, 13 Apr (EFE) -- The Bolivian Government decreed shortly after midnight tonight a 400-percent devaluation of the peso vis-a-vis the U.S. dollar. This decision was made as part of a set of drastic economic measures taken to cope with the country's economic crisis.

As a result of these measures the U.S. dollar is now worth 2,000 Bolivian pesos; food prices, and public utility fees have been readjusted; and subsidies on oil byproducts have been removed.

The government also cancelled the wage escalator clause which was established in November 1982 to become effective automatically every time the cost of living went up more than 40 percent. One of the new decrees ordered salary readjustments to be made every 4 months, and a food bonus and another transportation bonus to be paid to public and private employees.

Food prices were raised by an average of 400-500 percent, and public transportation fares were increased by an average of 300-320 percent.

Fuel prices have been increased between 500 and 1,200 percent. Prices of oil byproducts in border areas will be 100 percent higher than in the rest of the nation.

The executive branch also decided to control foreign currency in the country and prohibited state-owned enterprises from negotiating on their own credits from international organizations or friendly countries.

The government of Siles Zuazo decided to give greater incentives to agricultural production through the creation of a 2-billion-peso fund ($1 million) which will be earmarked for peasants to increase and improve their production of food items.

After an 8-hour cabinet meeting, the government approved the economic guidelines, which will go into effect beginning Friday, 13 April. The government has ordered all police personnel and military troops to report to their barracks in anticipation of possible disorders which these new, drastic economic measures may provoke in the country.

ARMY, POLICE ORDERED TO REPORT TO BARRACKS

PY130352 Paris AFP in Spanish 0329 GMT 13 Apr 84

[Text] La Paz, 12 Apr (AFP) -- Interior Minister Federico Alvarez Plata today announced that Army and police personnel have been instructed to report to their barracks to prepare to prevent possible disorders which might result from the new economic package that will be released by the government in the next few hours.

Alvarez Plata indicated that the measure was adopted because political activists are trying to create problems in the most populated neighborhoods of La Paz.

Leftist and rightist opposition parties and the Bolivian Labor Federation has stated that they will reject the new economic measures, which they classified as an IMF imposition.

It has been learned that the Bolivian peso will be devaluated by approximately 400 percent and the basic staples will increase by about 200 percent. However, to compensate for this increase, workers will be granted monthly bonuses equivalent to about $25 at the new exchange rate.

GOVERNMENT TO PURCHASE SOVIET-MADE TRACTORS

PY121532 La Paz EL DIARIO in Spanish 4 Mar 84 p 4

[Excerpt] The government has issued a decree approving the contract signed by the Bolivian Mining Bank and the Soviet enterprise Traktoroeksport involving $1.2 million by which the latter will supply on credit 10 tractors to private Bolivian mining enterprises.

PDS TO BOYCOTT 25 APRIL CONGRESSIONAL SESSION

PY121538 Rio de Janeiro JORNAL DO BRASIL in Portuguese 10 Apr 84 p 6

[Excerpts] The PDS [Social Democratic Party] has decided to boycott the session in which Deputy Dante de Olivera's (PMDB-MT) [Brazilian Democratic Mobilization Party--Mato Grosso State] amendment, which calls for direct presidential elections in 1985, is to be voted on. PDS President Senator Jose Sarney has stated that the PDS will not turn up at Congress on 25 April, thus emphasizing the party's strategy of not permitting a quorum for approving the amendment. Sarney has stated that he rejects the possibility that the PDS will review its position to try and obtain a nay vote on the amendment, which calls for direct elections. The tactic of denying a quorum is a definite option that runs no risks. According to estimates of the PDS leadership, only 40 deputies and 5 senators will attend the session.

The following is Sarney's explanation: Of the 235 PDS deputies, 195 will not be in attendance. The expected support of some of the PTB [Brazilian Labor Party] deputies is sufficient guarantee that the Dante de Oliveira amendment will not be approved because of the lack of a constitutional quorum that requires two-thirds of the vote in both the Chamber of Deputies and the Senate. The votes of 318 deputies and of 46 senators are necessary if the amendment is to be approved. With the absence of 159 deputies or 23 senators a two-thirds quorum will not be obtained. The PDS is playing with a sufficient number of congressmen. There are 200 deputies and 39 senators who faithfully follow the party line. Therefore, there are 41 deputies and 16 senators more than are needed to prevent a quorum.

FIGUEIREDO DENIES SUPPORT FOR DIRECT ELECTIONS

PY130143 Brasilia Domestic Service in Portuguese 2200 GMT 12 Apr 84

[Excerpts] Before meeting today with Spanish Prime Minister Felipe Gonzalez, President Joao Figueiredo talked to presidential spokesman Carlos Atila and denied the statement by PDS [Social Democratic Party] Sao Paulo Deputy Alcides Franciscato that he would have been the 1,000,001st person attending the pro-direct elections rally held in Rio de Janeiro if he had been in that city. According to Atila, the president noted that he did not say anything to the deputy and that he does not know why the deputy made such a statement.

FORMER PCB LEADER SUPPORTS DIRECT BALLOTING

PY130140 Porto Alegre Radio Guaiba in Portuguese 2150 GMT 12 Apr 84

[Text] Porto Alegre -- During a press conference hosted at the state assembly building this afternoon, former Brazilian Communist Party [PCB] Secretary Luis Carlos Prestes reiterated his support for the immediate implementation of the direct ballot system. However, he pointed out, this will not solve the problems of starvation, recession, and unemployment. In his opinion, the crisis will be overcome if the people organize themselves into a revolutionary party and if the capitalist system is abolished.

Prestes, who will speak at the Catholic University tonight, warned that if the Dante de Oliveira amendment is not approved by Congress and if parties have to negotiate to reach a position of consensus, those parties, which are now summoning the people to the streets, will later neglect the interests of the people.

METALWORKERS GRANTED DECREE-BREAKING SALARY HIKE

PY111620 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 11 Apr 84

[Excerpt] According to (Andre Viana), president of the Association of Automobile Manufacturers [Associacao de Fabricantes de Vehiculos Automotores], the agreement reached between the businessmen and metalworkers represents an average 10-percent increase over what was established by Decree Law No 2065. This decree-law limits overall salary increases to 87 percent of the National Consumer Price Index [INPC], that is, 60.8 percent.

Government To Challenge Hike

PY130219 Rio de Janeiro JORNAL DO BRASIL in Portuguese 10 Apr 84 p 1

[Text] The salary proposal made by FIESP [Sao Paulo State Industrial Federation], consisting of quarterly readjustments and increases based on 100-percent INPC [National Consumers Price Index] (69.9 in April), was accepted by the metalworkers of the Sao Paulo ABC district. Consequently, the strike at the GE Company in Santo Andre was ended as well as the work slowdowns at the Volkswagen, Volks Trucks, Ford, and Perkins companies in Sao Bernardo. The agreement covers 530,000 metalworkers.

Labor Minister Murillo Macedo is to file a request with the Regional Labor Court [TRT] not to recognize the agreement because it violates Decree Law 2065 which dictates salary readjustments for different salary brackets separately. According to the labor minister, there is no guarantee the agreement negotiated between FIESP and the metalworkers will be implemented if it is not recognized by the TRT.

LOOTERS STRIKE AGAIN IN SAO PAULO; 2 STORES HIT

PY121243 Sao Paulo Radio Bandeirantes Network in Portuguese 0230 GMT 12 Apr 84

[Text] A group of 30 people looted a small market and a stationary store on Wednesday in the (Itai) area, an eastern Sao Paulo neighborhood inhabited by the poor. During the action, the ninth in 15 days in the area, people stole food, notebooks, pencils, and pens. The damage is estimated at more than 14 million cruzeiros, but police have no clues that may help solve the case. The looters probably came from the slums.

PRESIDENT FIGUEIREDO CONCLUDES VISIT TO MOROCCO

For Rabat reportage on President Joao Baptista Figueiredo's official visit to Morocco, including reports on his meeting with King Hassan II, cooperation agreements concluded between the two countries, and a joint communique released following the visit, see the Northern Africa section of the 12 April Middle East and Africa DAILY REPORT.

FIGUEIREDO PAYS OFFICIAL VISIT TO SPAIN

For reportage on President Joao Baptista Figueiredo's visit to Spain, including his comments at a dinner hosted by Spanish King Juan Carlos as well as details of five cooperation agreements reached between Spain and Brazil, see the Spain section of the 12 April Western Europe DAILY REPORT and subsequent issues.

REGIME RESTRICTS RIGHT OF ASSEMBLY IN SANTIAGO

PY130157 Paris AFP in Spanish 1931 GMT 12 Apr 84

[Text] Santiago, 12 Apr (AFP) -- The military authorities today restricted the right of assembly in Santiago. This follows the reimposition of press censorship by the government of General Pinochet. An edict issued by the chief of the emergency zone in Santiago orders that unions will only be allowed to meet in their own premises, and that political organizations must request permission to meet 10 days in advance.

The edict was issued 2 days before the meeting planned by the National Workers Command (CNT), which is headed by Rodolfo Seguel, to set the date for the first general strike against the military regime.

The prior censorship measure, which affects mainly publications which oppose the government, took effect 11 April, while all communication media were officially warned not to disseminate information which could in any way affect public order.

The state of emergency, under which the authorities are given special power to restrict public liberties, was imposed on the eve of the national protest day, promoted by the CNT, on 27 March.

FOREIGN MINISTER ON RETURN OF EXPELLED CITIZENS

PY130111 Santiago Domestic Service in Spanish 1730 GMT 12 Apr 84

[Excerpts] Foreign Minister Jaime del Valle has charged the European Economic Community with meddling in Chilean affairs through a recent pronouncement on our country's domestic situation.

Regarding the application to reenter the country field by the two leaders of the outlawed Communist Party, Jaime Insunza and Leopoldo Ortega, the foreign minister noted:

[Begin recording] [Del Valle] Their violent disposition is very clear from previous declarations. So I believe that it is clear that both Insunza and Ortega, should they return, will try to destablize the government through violent means. At least this is part of their philosophy.

[Question indistinct]

[Del Valle] The return of these persons depends on the Interior Ministry, which will decide on when they can return. [end recording]

PINOCHET RECEIVES U.S. MILITARY DELEGATION

PY122349 Santiago Domestic Service in Spanish 1730 GMT 12 Apr 84

[Text] The country wants a government of an authoritarian nature because it is fighting communism, the president of the nation emphasized upon greeting the visiting members of the National War College. The U.S. delegation met with the president at noon today, and on this occasion Pinochet expressed the hope that the delegation's stay in Chile will allow it to get to know the country better, adding that the country is now advancing toward democracy, complete democracy well-protected against the thrusts of totalitarianism.

ibly, the president told the National War College delegation, some things will draw attention, but those are only because we are in a transition toward democracy. The f of state stressed that freedom exists, although today we are in a state of gency because there are terrorists who are intent on carrying out terrorist plans. you, the president said in closing, can see that the emergency measures are not as as they are made out to be.

RTAGE ON 12 APR UNIVERSITY STUDENT STOPPAGE

Minister Comments

1436 Santiago Domestic Service in Spanish 1100 GMT 12 Apr 84

t] Minister Secretary General of Government Alfonso Marquez de la Plata has ssed that a large number of students want to study, adding that if they want to ess their disagreement, they should do so in a reasonable manner and through the oriate channels. Marquez de la Plata made this statement in answer to a question ctions carried out recently in some universities, specifically the stoppage duled for today.

uez de la Plata added that there are violent groups whose sole objective is to use university to create chaos, but that these groups are very small in number. The ster secretary general also discussed the facilities each rector has in his ective university and institution.

in recording] [Marquez de la Plata] Each rector has the authority to adopt the ures he may deem appropriate to guarantee the normal functioning of the university hat those students who want to study will be able to study. He must also see to hat university property is not destroyed.

dentified reporter] What will happen if this disorder and violence extends beyond university campus [word indistinct] in the interior?

quez de la Plata] Well, all these things, as you know, have been foreseen and appropriate measures adopted. There is no problem in this regard.

orter] Did you have previous knowledge that all these things were being organized?

quez de la Plata] Well, it is very similar to what happened on other occasions. e are always small groups in some of the universities that try to create a climate gitation. They are very similar. [end recording]

minister secretary general of government added that minority groups are always onsible for disorders in the universities.

Some Students Reject Strike

21528 Santiago Domestic Service in Spanish 1100 GMT 12 Apr 84

cerpt] The Marxist university student stoppage scheduled for today is a rehearsal a future general stoppage. This statement has been made by Alfredo Burgos, sident of the Federation of Catholic University Students [FUEC]. He said that this ion does not respond to student demands, but to political maneuvers of activist ups and agitators.

[Begin Burgos recording] The stoppage [words indistinct] for a national university student stoppage. Student members of different federations feel that this is a rehearsal for a general national stoppage [words indistinct]. [end recording]

Burgos and other university student leaders have reported that the universities will function absolutely normally. They added that students who really want to progress reject these acts, which always end up in vandalism.

Attack at University of Chile

PY130332 Santiago Radio Cooperativa in Spanish 1715 GMT 12 Apr 84

[Excerpt] There was a violent attack today against the student center of the Egnineering School of the University of Chile. According to a report by (Ricardo Herrera Sangueza), between 2100 and 2130 three young men with crewcuts entered the student center which is located inside the school. As soon as they arrived, and despite the pleas of the students and professors who were nearby trying to stop them, the assailants started destroying all the papers on hand. The intruders, who in the opinion of the witnesses were not engineering students, not happy with the destruction of the documents, set them afire inside the student center. This caused a fire which was quickly put out. The fire, however, damaged the furniture and radio equipment in the room.

According to (Ricardo Herrera), this clearly was a criminal and intimidating attack aimed at preventing the success of the nationwide stoppage called by the university students. Upon leaving, the vandals left behind leaflets scoring the student mobilization, leaflets which were signed by a self-styled Command for the Defense of the University of Chile.

Youth Leader Praises Strike

PY130023 Santiago Radio Cooperativa in Spanish 1715 GMT 12 Apr 84

[Text] Christian Democratic Youth leader Gonzalo Duarte has termed today's student mobilization a success. Duarte made a preliminary assessment around noon.

[Begin Duarte recording] We can generally say that the nationwide university student stoppage has achieved significant success and has been held very peacefully. Thus far, no major incidents have been reported at the universities and a significant stoppage has been achieved. According to estimates, the stoppage reached 70 percent [word indistinct] and 30 percent [word indistinct], among other data. As youth leaders and as university leaders we feel very satisfied. We expect that this process will proceed throughout the day with the activities that have been previously scheduled. [end recording]

Concerning the stand adopted by high school students, Duarte stated:

[Begin Duarte recording] There is significant support, although we do not have figures on hand. [end recording]

PINOCHET CHARGED WITH IRREGULARITIES ON HOUSE

PY111929 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2148 GMT 10 Apr 84

[Text] Buenos Aires, 10 Apr (NA) -- According to a document revealed today in this capital by the media, Chilean President Augusto Pinochet has been involved in a number of irregular financial operations -- in which the Chilean treasury also participated -- that has allowed him to build himself a luxurious mansion in an area near Santiago, at the foot of the Andes Mountain Range. NOTICIAS ARGENTINAS has learned that the charges were published in issue No 11 of the Chilean biweekly CAUCE. The management of the magazine decided to suspend the distribution of the issue, scheduled for today, because of the military regime's prior censorship.

The article, which also gives the terms of a property deed, reports that on 25 January 1979 the Chilean president purchased a 70,000-square-meter plot in El Melocoton Alto in El Cajon del Maipo at the foot of the mountain range. The CAUCE article states that between that date and 22 December 1983, Pinochet's property expanded to approximately 145,000 square meters, for which he paid 6,250,000 Chilean pesos cash in successive operations. A 606-square-meter main residence was built on this property to which were then added three other buildings, trees, swimming pools, parks, and gardens.

In the original purchase contract, Pinochet appears as the buyer, but for the successive purchases to expand the property the president granted an ample power of attorney to Lieutenant Colonel Ramon Castro Ivanovic, a member of the presidential staff. After expanding the property twice through the purchase of land that Lt Col Castro made from private individuals, the government expropriated one plot, whose owner refused on principle to let it go, with the excuse of improving the highway. The Chilean Government, through a decree signed by President Pinochet himself, paid 2.7 million pesos for that land and later, when the project to improve the highway was dropped, sold it for only 240,000 pesos to the officer to whom the power of attorney had been granted by the president. The same procedure was used to acquire another 1,240 square meters for which 1.1 million pesos were paid and later sold for only 85,000 pesos to Lt Col Castro.

During a recent press conference, Pinochet stated that El Melocoton was the only property he owned, for which he paid 240,000 pesos with the savings of "many years." On that occasion, the president said that he had asked for a loan to build the house for which he pays a monthly interest rate. According to the censored magazine, the National Defense Fund on 3 October [year indistinct] had actually granted Pinochet a 1.8-million-peso loan, payable in 24 years with an annual 6-percent interest rate.

The details of the president's residence were disclosed almost 3 months after the details of the so-called "House of the Presidents" were revealed. Pinochet ordered the construction of this house in Cerro de lo Curro in Santiago at an estimated cost of $14 million.

Former Chilean Christian Democrat Senator Jorge Lavanderos, who was the target of a terrorist attack in which he almost died 2 weeks ago, had the documents regarding the El Melocoton residence in his possession. However, the former congressman managed to leave another copy of the documents that reached the CAUCE magazine offices.

MANAGUA: LLOREDA COMMENTS ON CLEARING OF MINES

PA120244 Managua Radio Sandino in Spanish 0000 GMT 11 Apr 84

[Excerpt] Colombian Foreign Minister Rodrigo Lloreda Caicedo today said that Nicaragua is free to ask any country for help in clearing the mines from Nicaraguan ports. Lloreda Caicedo described the situation caused by the mining of the ports as a security problem with economic effects for Nicaragua. [passage omitted contains indistinct recorded relay]

M-19, EPL WILLING TO HOLD PEACE DIALOGUE

PA100304 Bogota Cadena Radial Super in Spanish 0000 GMT 10 Apr 84

[Text] The 19 April Movement, M-19, and the Popular Liberation Army, EPL, today reiterated that they are willing to hold a dialogue with the Colombian Government to try to consolidate peace in the country. This was announced by guerrilla leader Andres Amarales, a member of M-19 National Directorate, who confirmed that his organization and the EPL have reached an agreement which will give the people's struggle more strength, a strength that will be used to obtain peace and a cease-fire.

According to Amarales, the EPL told the M-19 that it does not want to continue fighting. After insisting that the government of President Belisario Betancur continue the peace talks it began with the M-19 in October 1983 in Madrid, Spain, Amarales hailed the cease-fire agreement that the government and the Revolutionary Armed Forces of Colombia, FARC, have signed and that will go into effect on 28 May 1984.

We appreciate the fact that an agreement has been reached. This is a big step, but this is not everything, he indicated, adding that the government, the FARC, and the M-19 are three different organizations.

TWO PEACE COMMISSION MEMBERS UNEXPECTEDLY RESIGN

PA120443 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 11 Apr 84

[Text] Bogota -- Former Foreign Minister Alfredo Vasquez Carrizosa and former parliamentarian Jorge Angarita Marin have unexpectedly resigned from the Peace Commission and suggested that the Commission be reorganized. Their resignations were revealed during the commission's regular meeting, where they closely analyzed the proposals and demands made last Sunday by the 19 April Movement, the M-19, through Andres Almarales. They also evaluated the meeting between Oscar William Calvo, a spokesman of the People's Liberation Army, and Peace Commission members and parliamentarians of the Conservative and Liberal Parties.

REBEL MINES KILL 3 ARMED FORCES MEMBERS

PA101412 Bogota EL TIEMPO in Spanish 27 Mar 84 pp 1 A, 2 B

[Excerpts] Three members of the Armed Forces died yesterday when an antitank mine exploded in Caqueta. Meanwhile, forces of the ELN [Army of National Liberation] have murdered 10 peasants in Huila and Antioquia, and the EPL [Popular Liberation Army] has seized a large shipment of explosives in Antioquia.

A long report by the Army General Command in Bogota reveals that in the area of La Ruidosa, Florencia municipality, a mine placed on the highway by the M-19 [April 19 Movement] exploded killing Sergeant Carlos Augusto Paez Pabon, a member of the "Cazadores" Battalion. He was heading a squad assigned to reinforce the military operations in Santa Helena when he stepped on the mine, according to military spokesmen.

Military sources reported that at 0100 on Sunday an EPL commando attacked "El Cerro" mine, in the Antioquia municipality of Frontino, and stole four boxes of dynamite and detonators.

In Florencia, the bodies of a sergeant, a corporal, and a soldier who died yesterday in clashes with M-19 forces today were transferred to their home towns, according to an official spokesman. Sergeant Carlos Augusto Paez Pabon and his two companions were killed by dynamite charges placed by rebels fighting in the Sucre and Santa Helena sectors, the site of the latest clashes. The Army disarmed several other bombs placed by the rebels on the road leading to Huila Department.

M-19 ATTACKS GARRISONS IN CALI, PALMIRA

PA092143 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 9 Apr 84

[Text] The military authorities in the southwestern part of the country have adopted drastic security measures to protect their installations from attacks such as those which took place yesterday against the headquarters of the Pichincha Battalion in Cali and the Codasi Battalion in Palmira.

A car bomb was detonated 100 meters away from the Pichincha headquarters, causing the total destruction of the vehicle and several houses in the vicinity of the headquarters, south of Cali. A young couple representing the M-19 [19 April Movement] claimed responsibility for the attack in a telephone call. The vehicle was a camper stolen in the vicinity of the Santa Elena Market Plaza, in the eastern part of Cali. No one was injured, according to a military investigation, in this action directed at the Pichincha Battalion powder magazine, which is located only 500 meters from the area of the explosion. While military units were mobilized in response to this incident, another garrison, the Codasi Battalion in Palmira, was attacked by some 20 presumed subversives, who for more than 10 minutes conducted a shootout with policemen in the town.

When the situation was placed under control, the military authorities confirmed the death of contractor Diego Lopez, whose body was found in his car. This businessman was killed as he attempted to drive through the cross-fire in his camper.

There have been 27 deaths in the clashes between Army troops and M-19 guerrillas in Cauca. Major General Francisco Hernandez San Miguel, commander of the 3d Brigade, said that new casualties were reported among the insurgents in the clashes which took place yesterday. Gen Hernandez San Miguel said that so far 19 guerrillas and 6 military men have died in combat, among them the commander of the police headquarters in Corinto. The commander of the 3d Brigade announced that a bulletin will be issued today providing information on the results of the operation that has been underway since last Wednesday in the Corinto region of Cauca.

NEW FOREIGN, INDUSTRY MINISTERS ON PROGRAMS

PY130039 Paris AFP in Spanish 2007 GMT 12 Apr 84

[Text] Lima, 12 Apr (AFP) -- Sandor Mariategui, the new Peruvian foreign minister and prime minister, today announced that Peruvian policy will aim at reactivating the economy and at solving the problem of the region's foreign debt. He also said that Peru will maintain very good relations with the IMF.

Alvaro Becerra, who was installed as the new industry minister during a cabinet swearing-in ceremony the yesterday, said that he will adopt protectionist measures to reactivate the industrial sector, to which he attaches primary importance despite its chaotic situation.

Mariategui, who at noon today was introduced to foreign diplomats by his predecessor, Fernando Schwalb, said that relations with neighboring and Latin American countries in general will continue to receive priority attention. He added that his country will continue to support its initiatives in the areas of trade, integration, and highway interconnection, and that under the current critical economic conditions it is imperative to sponsor joint actions to improve regional performance.

The foreign debt owed by Latin American countries he added, is the most serious current problem. Therefore, it is necessary to undertake immediate action to solve it on the basis of flexible and realistic criteria that should take into account the repayment capacity of debtors and their need to maintain economic activity at adequate levels.

He said that Peru will repay its foreign debt and that it will consider the situation of its domestic debtors with the same good will. He added: We have good relations with the IMF, and we will maintain them at the same level.

However, he pointed out, this will not prevent us from negotiating conditions that should be more properly adjusted to our economic situation. He said that the IMF has to understand that Peru is barely surviving and that it cannot be forced beyond its limits. He also said that Peru will continue to support Latin American integration, either through actions that are being undertaken by existing institutions or through efforts aimed at strengthening Latin American unity and independence.

Mariategui, who is also a senator, added that he will promote relations with capitalistic and socialistic developed countries, and that he expects more dynamic cooperation programs from those countries, so that a new and more just international economic order might be established. He pointed out that the relations with those countries which, like Peru, are experiencing the distressing problems of underdevelopment, will be promoted, and that his government will contribute to the efforts of the Group of 77 and the Nonaligned Movement.

After stressing the importance of cooperation among developing nations, the prime minister said that this political line will be based on the principles of international law, which are the only guarantee for harmonious world coexistence.

For his part, the industry minister said that he plans to reactivate his sector, particularly the textile and food processing sectors. He explained that after a long period of recession, some 192 billion soles ($111 million) will be needed to reactivate Peruvian industry.

Becerra pointed out that this is the main challenge facing his ministry, and that he can obtain that money from foreign credits. He added that he will adopt protectionist measures, as most countries do.

He concluded by saying that the protectionist measures will be in force until the industrial sector is reactivated and that he does not know whether there will be a spectacular change in the economic policy, because this matter falls under the jurisdiction of Jose Benavides, the minister of economy, finance, and commerce, who will soon speak to Congress.

PIP ARRESTS ALLEGED CHILEAN SPY IN PIURA

PY121630 Lima EXPRESO in Spanish 6 Apr 84 p 7

[Text] Piura -- A Chilean citizen who may have been involved in spy activities in strategic areas of this department was captured in one of the districts of Sullana Province while attempting to leave the country secretly.

According to information gleaned from police sources, the alleged Chilean spy was arrested by officers of the immigration division of the PIP [Peruvian Investigative Police] when they were checking passengers in La Tina District, which borders on Ecuador.

The foreigner, whose indentity is being kept secret, apparently had photographs of the oil pipeline facilities and communications facilities in the northern part of the country.

Preliminary investigations indicate that the Chilean, at least under the name he gave, entered the country illegaly, police sources have said.

The prisoner is being taken to Lima so that the State Security Division of the PIP can conduct further investigations.

Last February, another Chilean, Hernan Toro Pinedo, 43, was also captured in Piura. He is being held at the San Jorge Penitentiary in Lima on charges of alleged espionage.

OPPOSITION PARTIES MEET TO DISCUSS ISSUES

PY121420 Buenos Aires TELAM in Spanish 1145 GMT 11 Apr 84

[By Rubek Orlando]

[Excerpts] Montevideo, 11 Apr (TELAM) -- Recently released Uruguayan General Liber Seregni, retired, has termed as highly positive the meeting between representatives of the Colorado and National (Blanco) Parties and leaders of the Civic Union (the rightist sector of Catholicism's political spectrum) and of the proscribed Broad Front. The meeting took place in Seregni's offices at his initiative.

Sources linked to the meeting of the Uruguayan opposition have said that the meeting is an important step toward the integration of a solid democratic front that can act as the Armed Forces' interlocutor until the elections that have been called for in November 1984 and as a front that can also serve as a support for the civilian government that emerges from those elections.

According to the sources, the meetings' agenda included key topics such as the Armed Forces' intention of making constitutional the current Military Justice Code and of the military's intention to enforce their participation in the naming of the commanders in chief and general officers of the Uruguayan Armed Forces. The amnesty draft, the unrestricted reinstatement of political parties, and the lifting of bans agains the country's politicians were also discussed.

Political circles in Montevideo have indicated that the following persons participated in the meeting: Julio Maria Sanguinetti and Enrique Tarigo for the Colorado Party; Gonzalo Aguirre, Alembert Vaz, and Guillermo Garcia Costa for the Blanco Party; Gen Liber Seregni and Jose Pedro Cardozo for the proscribed Broad Front; and Humberto Ciganda and Juan Vicente Chiarino for the Civic Union.

It has also been indicated that other multiparty meetings have been scheduled for the coming days to achieve more concrete points of agreement. The Colorado, Blanco, and Civic Union delegates last night promised to inform their respective leaderships about the meeting with an eye to outlining future positions.

SEREGNI ORDERED TO PAY FOR JAIL EXPENSES

PY130058 Madrid EFE in Spanish 2028 GMT 12 Apr 84

[Excerpts] Montevideo, 12 Apr (EFE) -- General Liber Seregni, leader of the proscribed leftist Broad Front [FA] coalition will have to pay $7.000 to a military court for having spent 9 years in the Uruguayan Central Prison. Seregni, 58, was the FA presidential candidate in 1971, when the last free election was held in the country.

Seregni was notified today that he will have to pay 100,000 pesos to a military court ($2,000) for expenses incurred during the time he served in the Central Prison in this capital. It has been reported that this amount is to cover the costs of his lodging, food, and clothing.

This case has been described as "unheard of" by political sectors, which noted that "only in Uruguay are people forced to pay for having served a prison term."

CANDIDATES PARTICIPATE IN ELECTION RADIO PROGRAM

PAPO Leaders Explain Position

PA072355 Panama City Domestic Service in Spanish 1400 GMT 6 Apr 84

[Panamanian Electoral Tribunal's "Voice of the Political Parties" program: Statement by Teodocio Bernal, national press and propaganda secretary of the Peoples Action Party, PAPO, and Doris de Mata, PAPO second vice presidential candidate; at the station studios -- live or recorded]

[Excerpts] [Bernal] We will now present Doris de Mata, our second vice presidential candidate. She forms part of the distinguished slate that PAPO has presented to the Panamanian people as an alternative to the two opposite poles that are being presented, but which do not offer a solution to the country's problems and will not return democracy to the country. The PAPO slate is headed by Carlos Ivan Zuniga, a statesman; Manuel Garcia Almengor, first vice presidential candidate and an economist; and Doris de Mata, second vice presidential candidate and a teacher. Here she is.

[De Mata] I want to remind the Panamanian people that PAPO is the party that has truly opposed this dictatorship and all the internal and external interests aimed at shackling and using Panama. PAPO has upheld this honest position, seeking democratic structures. That is why, since its beginning, PAPO has worked toward achieving a constituent assembly which signifies a real solution, a definite change, an opening toward democratic life with opportunities and justice for the country under a truly legal regime and with solutions based on social justice.

After we proposed the holding of a constituent assembly, PAPO fought against the constitutional reforms because they were merely a disguise for the current Constitution, which is the autocratic constitution of a dictatorship, which establishes the structures for a dictatorship in Panama. We fought hard so that those reforms would not be accepted because what must and will occur sooner or later -- hopefully sooner -- is a total change in the Constitution. Time has shown that PAPO was right, because since the reforms the National Guard [as heard] has continued to be strong; it has been able to intervene in and control the country under the justification that it is belligerent [beligerante] and that for national security reasons it has to intervene in all spheres. This is the problem. The democratic institutions have disappeared. We only have the National Guard, which rules in all areas of the nation. This is an absurd situation.

[Bernal] We also want to use this opportunity to tell the listeners that since PAPO has such limited opportunities to reach the Panamanian people at the national level, they should tune in to Radio Mundial, the only voice we have available. They should listen to Radio Mundial for the "Listen to the PAPO Candidates" program directed by Rolando Villalez every day from 1300 to 1400 and the "Voice of the PAPO" program that I direct on Monday through Friday from 1700 to 1800. The "Voice of the PAPO" is also transmitted in the central provinces by Radio Diez in Chitre.

PAPO's position was approved at its special convention. I will read just a few points because our time is almost up. It states that all party members and organizations support to the end the presidential slate of Carlos Ivan Zuniga Gardia, Manuel Garcia Almengor, and Doris de Mata. The PAPO candidates will include in their campaigns the following objectives: the struggle for democracy; the struggle for honest elections; the struggle for a constituent assembly as the solution for institutions; the struggle to achieve a public force that will be an obedient agent of authority, without authoritarianism; the struggle against militarism; the struggle against Law 20; the struggle for a civilian government that will exercise real power without restrictions from the military; the struggle for clear changes in the social and economic system until a social and economic democracy is achieved; the struggle to achieve an honest government; the struggle against poverty, unemployment, the high cost of living, and public and private corruption; the struggle for administrative and judicial careers; the struggle to give young people faith in their fatherland, destiny, and the values of the nation; the struggle to give the Panamanian women equal opportunities and support from the government and society in their role as shapers of the soul of Panamanians; the struggle for national sovereignty and against anything that contravenes it, such as the Torrijos-Carter and Monteria Treaties; the struggle for peace in the world and against all interventionism from any poles of power; and the struggle for a just fatherland that will give all Panamanians security, peace, and love. This is the political line that PAPO approved at its special convention.

PdP Urges Peasant Vote

PA082006 Panama City Domestic Service in Spanish 0205 GMT 7 Apr 84

[Panamanian Electoral Tribunal's "Voice of the Political Parties" program with Cesar de Leon, People's Party (PdP) candidate for first vice president, and Julio Bermudez Mosquera, PdP candidate for second vice president; date and place not given -- recorded]

[Excerpts] [Bermudez] The PdP has honored me by nominating me as candidate for second vice president of the Republic. That nomination, companero peasants, represents a recognition of the struggle of all the peasants, not only those organized in peasant settlements, agrarian juntas, or cooperatives. It means recognition of the small farmer, to whom our program grants the chance to contribute to the country's development. We call on all the peasants to defend with us the possibilities opened to us by the Torrijos process to participate in productive activities and the country's political decisions. I hereby invite you to support us on 6 May and to vote for the PDP's red star ballot with the hammer, machete, book, and rice tassel. I believe that by voting that way, we are confronting those sectors who now claim they are going to resolve the problems faced by our brothers on the farms.

This vote will also mean a clear answer to the so-called democratic opposition led by Arnulfo Arias. We must say here in a brave and determined manner that we must not fool ourselves. Arnulfo Arias is one of the biggest landowners in the country. Our companeros should be aware that if Arnulfo Arias assumes power, he is going to do the same thing he did to the campaneros in Laguna de San Carlos. He is going to take their land away from them. Yet today he says that if he wins he is going to solve our people's problems. We want to tell you, companeros, that this is not possible because Arnulfo Arias' return to power means the return of big landholders to power. It also means a real danger to the gains that we have made during these last 14 or 15 years.

To vote for the red star also means giving an answer to those undecided people, those who did not dare to fly the Torrijist banners, those who do not dare to say what Torrijos did for the good of the country. To vote for the red star means defending Torrijism, defending Torrijos' ideas, defending Torrijos' work, defending peasant settlements, health centers, the integrated health system; in other words, defending the opportunity given to the poor people. Through the PdP programs, we give you the opportunity to defend these gains.

[Cesar de Leon] Because of its nature and experience, our party is aware of the hardships faced by the country's poor. That is why our political platform gives great importance to economic and social aspects. We believe that in order to reach an adequate solution to all these problems we must change the country's economic policies. As this takes time, however, our party has also drafted a series of measures which we have labeled urgent to solve the problems faced by the popular sectors and interests. These measures are as follows:

1. Reducing unemployment. The following steps will be taken immediately:

a) Creating a provisional program to create productive jobs with credit financing with the participation of the public and private sectors.

b) Reviewing pending projects within the public investment budget, giving priority to those projects creating more jobs. The National Bank and COFINA, National Financial Corporation, budgets will also be reviewed.

c) Making maximum use of the reimbursable costs budget created by the Torrijos-Carter Treaties to create jobs in the canal area.

2. Renegotiating the terms of our foreign debt.

3. Reviewing agreements with the World Bank and the IMF so that the country can solve the serious financial problems caused by the depression instead of worsening them. The concept of indiscriminate budget cuts will be eliminated.

4. Improving and guaranteeing more credits for farm-cattle and industrial production to ease the financial situation of those sectors so that they may help our economy.

5. Finding economic uses for areas reverted from the former Canal Zone within a framework that will allow the establishment of leading economic enterprises and the building of housing units, especially for the poorer sectors.

6. Adjusting salaries according to inflation, in the public as well as the private sector.

7. Reducing as much as possible the prices of staple goods and public services.

8. Applying Article 33 of the National Banking Law regarding funds for the construction sector and passing a law exempting new construction projects from taxes.

9. Reviewing the country's tax policy regarding social sectors whose only income is salaries.

10. Restructuring and expanding the agrarian reform law, giving more support to peasant settlements and small- and medium-sized producers.

11. Drafting and creating a national industrial development plan and applying all viable measures to protect national industry and small enterprises.

12. Supporting programs aimed at satisfying the people's basic needs in terms of housing, health, education, and social welfare. Creating more child care and welfare centers.

13. Reorganizing urban passenger service and garbage collection.

14. Passing the administrative career law for government service.

15. Immediately implementing a national housing law establishing clear and systematic plans and programs for the sector. These plans and programs, together with the housing laws, should become a viable instrument for the development of a popular housing policy.

16. Improving the integrated health system, intensifying the policy of preventive medicine by incorporating the masses in programs for protecting and preserving health. We must improve outpatient and ambulance services in our health centers. We will promote the creation of a medicine industry.

We believe that the implementation of these 16 urgent measures would help to promptly alleviate the serious needs of our people.

DEMOCRATIC OPPOSITION ALLIANCE PRESENTS PROPOSAL

PA101815 Panama City LA PRENSA in Spanish 10 Apr 84 pp 10 A, 11 A

["Proposal for National Reconstruction" presented by the Panamanian Democratic Opposition Alliance at the Annual Conference of Business Executives held 6-7 April in Panama City; read by Ruben D. Carles on behalf of Arnulfo Arias, Democratic Opposition Alliance presidential candidate; uppercase passages published in boldface; paragraph numbers and letters as published]

[Text] I. THE COUNTRY'S SITUATION AND THE NATIONAL ASPIRATIONS

A. THE CURRENT PROBLEMS:

1. The quality of life:

a. The Panamanians face a marked impoverishment of the population. The benefits of development have been concentrated in the hands of a few. Real wages have deteriorated in the last 5 years. Poverty has worsened, particularly in the rural areas. The great majority of the population does not have the means to achieve economic and social improvements. This situation is more grave in the rural areas.

b. Unemployment continues to increase and the prospects of overcoming it with the current policies are poor. A high unemployment rate is the principal national problem. Only the concerted action of all the sectors can provide solutions. This requires a change of attitudes, the reestablishment of confidence, and the arrival of governments that will motivate the private sector and the investor. The unemployment problem requires important government decisions that cannot be made as long as there are contradictions and there are no defined social and economic goals.

c. Deterioration of Public Services:

i. Health services and attention in the Social Security Fund. They have declined and the integrated health system [combined effort by the Social Security Fund and the Health Ministry] has not offered better alternatives.

ii. Urban transportation. It is expensive, inefficient, and unsafe. The low income sectors are those most affected. Transportation in all its forms strangles the country's development due to its high cost and inefficiency. On the streets, highways, railroads, piers, and roads, and in ports and airports the manipulation of transportation and the intervention of the state for political objectives has increased the defects of the service to the detriment of the users and the treasury.

iii. Operation of the ports. It has lost efficiency, costs have increased, and the risks of loss are high.

iv. Efficiency and safetv in the Isthmian Railroad have dropped.

v. Electricity produced by the state is expensive, and there are complaints about the charges and rates. The efforts carried out in electrification and the development of hydroelectricity in Panama should be used to encourage production and the improvement of the population's life and not as a source of state revenue. The large investment in hydroelectric plants without a responsible reforestation policy is of concern.

d. The distribution of income has worsened in the last decade.

i. Increase of the gap between the wealthiest and the poorest.

ii. Greater differences between urban and rural dwellers.

2. Climate of generalized discontent:

a. We cannot remain indifferent to the accumulation of financial disasters in the public sector. The hundreds of millions badly invested in the Social Security Fund and unexplained debts for the projects of the Van Dam Bridge, Bayano cement, CODEMIN [Cerro Colorado Mining Development Corporation], Contadora Island, the state-owned sugar mills, Marriott Hotel, Air Panama, public transportation, Rio Hato Corporation, peasant settlements, Bayano Corporation, COBAPA [Pacific Banana Corporation], the Colon landfill, and many other projects must be investigated along with the programs and policies that cause great harm, such as those in education and the agricultural sector. Those errors should serve as experience for the future.

b. Administrative and budget disorder in the public sector.

c. Loss of faith in the state institutions, including the administration of justice and the Attorney General's Office.

d. Flight of capital.

3. Economic stagnation and fiscal crisis.

a. Current stagnation of the economy and decrease of the per capita income.

b. Virtual stagnation of the agricultural sector in the last decade and slow growth of the manufacturing industry.

c. Unjustified increase of the public debt.

d. Unproductive state investments in government enterprises and infrastructures.

e. Saturation of the public indebtedness capacity, which means:

i. Devoting an excessive proportion of current expenditures to the debt service. (Huge payments of principal and interest).

ii. Causing a net loss of foreign exchange from the economy.

iii. Limiting the state in the fulfillment of its social responsibilities and distribution of income.

f. Very poor prospects for recovery of the economy if the current economic policies and administrative practices continue.

B. CAUSES OF THE CURRENT SITUATION

1. The international recession and the regional crisis. The increase in petroleum prices and inflation produced uncertainty in the international economy, affected by the decrease in international trade, collapse of the prices of the basic products, deterioration of the terms of exchange, and the onerous burden of foreign debts and high interest rates.

2. Inappropriate government policies and programs.

a. A demagogic and statist ideological emphasis.

b. Policies transmit distorted signals and provide confusing guidelines to foreign investors and businessmen.

3. Excessive state interventionism and bureaucratization in the economy.

4. Dishonesty and inefficiency in the public sector.

5. Concentration of growth in the middlemen sectors due to the lack of adequate policies for agriculture, cattle raising, and manufacturing industries.

C. THE NATIONAL OBJECTIVES

1. Improvement of the human condition of the Panamanians.

a. Priority for the groups in extreme poverty.

b. Attention to basic needs.

c. Better distribution of improved living standards among the country's regions.

2. Functional democracy and effective participation.

3. Balanced economic growth among the different regions of the country and economic and social sectors.

4. Equitable distribution of the fruits of growth.

5. Strengthening of the national personalilty within a framework of true democracy.

D. THE PREREQUISITES FOR THE GOVERNMENT ACTION

1. Moralization: public morality and an end to corruption and the abuse of power.

2. Order: setting the house in order and introducing efficiency in the handling of public affairs.

3. Continual reports to the citizens about the actions of the public institutions and officials, for example the commitment to the program of structural adjustment.

4. Officials must account for their past and future actions.

5. Austere handling of public resources, with the officials setting the example, beginning at the highest levels.

E. FUNDAMENTAL FOCUS

1. Economic activity mainly corresponds to private enterprise. The model that Panamanians need is based on a market economy with compensatory action by the state with clear, broadly known, and respected rules. We rule out the model of central planning which is characterized by state-collective ownership, centralized decision-making power, the vertical flow of information, and collective and moral [moral] incentives. Our model cannot be completely competitive even though we recognize private property, decentralized decisionmaking power, and the distribution of resources by the market, with a horizontal flow of information, individual, and material incentives.

2. The economic functions will be oriented toward:

a. Promoting economic development. In order to achieve economic recovery, the policies and programs that have failed must be abandoned, the functions of the state must be defined, and statism and unnecessary intervention in economic activities must be avoided.

b. Promoting the equitable distribution of the fruits of growth.

c. Guaranteeing the satisfaction of the population's basic needs.

d. Fostering and guaranteeing competition and regulating the monopolies.

e. Promoting the satisfaction of the basic needs of the most needy groups; the state, rather than trying to replace the forces of the market, will try to compensate for the results that the freely acting market economy might produce.

II. SOCIAL POLICIES:

A. Public services cannot be a source of revenue for the state, charging excessive rates to the poorest sectors of the population. This is more serious due to the regressive [regresivo] character of these rates and the arbitrary way in which they are set. The savings that the public sector obtains from unjust rates constitute a cruel tax. The public service rates must encourage production and investment.

B. HEALTH:

The priorities in the health field are:

1. Nutrition
2. Drinking water
3. Preventive medicine
4. Curative medicine policies.

C. EDUCATION:

1. Primary level universal, free, and of good quality.

2. Selectivity in and diversification of the educational system at the secondary and university levels.

3. Job training for Panamanians (versus the present emphasis on academic subjects).

4. We will progress if education is effective and serves as an instrument of development. It is illusory to measure educational progress in statistical terms, based on the number of classrooms, students, and teachers, or on the illiteracy rate. The generalized extension [masificacion] of education has sacrificed the quality of teaching. We can create a more efficient educational system that contributes to progress and well-being. We have enough trained personnel to do so.

D. HOUSING:

1. There is a need for an in-depth assessment to carry out an overall reorganization of current housing policy.

2. We must work through the private sector (through contracts with private banks for the administration of loans).

3. We must convert the MIVI [Housing Ministry] into a promoting and regulating organization, eliminating its present function as an inefficient producer of housing.

4. We must increase efficiency in the use of public resources and promote the participation of private banking.

5. Plans must be made to provide lots and basic infrastructure for self-help construction and the financing of materials.

6. We must revise the housing laws that concern leases to promote the construction of rental housing.

7. We must support the savings and loan system and the creation of a secondary mortgage market.

E. SOCIAL SECURITY:

1. Complete review of the Social Security Fund (the present basis for covering loans and pensions, reorganization of finances, administration, information to the public and controls).

2. Establishment of a system that would be truly independent and provide for real supervision by society, including the direct election of directors by the subscribers (employees and employers).

3. Examination of the system of integrating the medical and hospital services of the Social Security Fund with those of the Health Ministry. The integration of public health and social security is an expedient solution for the Treasury and a burden to the Fund, which should not have its capacity for attending to its subscribers hampered by the costs of integration with public health. The future of the subscribers demands that the Fund be administered honestly and efficiently. The system of pensions and retirements is full of injustice, discrimination, and preferences extended to certain groups.

The Social Security Fund assets must be free of the threat of dishonest and greedy administrators. As an exemplary lesson, we must demand punishment for those who were culpable in the disastrous housing program that has cost the institution many millions [no currency given].

III. ECONOMIC POLICIES:

A. DEVELOPMENT STRATEGY:

We must combine the extension of services with greater efforts to produce more.

1. There is a need to promote means of generating foreign exchange.

a. Increasing and diversifying exports.

b. Exporting agricultural and agro-industrial products.

c. Increasing our participation in activities to export services: insurance, entrepot [entrepot] trade (Free Zone), banking merchant marine, services to corporations, distribution and administration, assembly [maquila], transportation, tourism, conventions, fiscal advantages, airports and air traffic, and transit services to ships such as the provision of merchandise in containers and by pipelines. The service economy complements the exploitation of our geographic position and production for both the foreign and domestic markets.

d. To strengthen the banking center, it is necessary to revitalize the institutions and laws that we have created. The integrity and prestige of the banking center demands strict vigilance and speedy attention to and support for all sectors. Panamanians want a banking system that is financially and morally secure and prestigious. It must develop into a financial center with a greater diversity of services that make it increasingly solid and competitive.

e. The characteristics and mechanisms of the monetary system, the free movement of capital and convertibility into and parity with the dollar must be maintained. If the monetary system works well and has been beneficial, we must preserve it, permitting the development of the financial functions that include greater activity in the handling of trusteeships, foreign currency, foreign exchange, precious metals, and securities. Panama's position offers great opportunities for mediation in international financing.

f. Reorientation of the economy toward greater agricultural and industrial production, sectors that have been virtually abandoned in the past 15 years.

g. Eliminate the inefficient and contradictory policies that have kept Penamanians from enjoying full employment.

2. Utilization of the Geographic Position.

a. Efficient management of the canal. Our main task with regard to the canal must be the constant training of human resources to manage and exploit it.

b. Possibilities of a sea-level canal. We are in no hurry to decide the matter of the sea-level canal. Any plans to widen or improve the canal will be considered from the viewpoint of their economic viability. If the canal has strategic value, the United States has financial responsibility, because it will be the primary beneficiary. Let us avoid hasty and speculative negotiations. Any negotiation about the canal must include clauses that benefit Panama economically. The 1977 Torrijos-Carter Treaty gave priority to political objectives and disregarded vital economic aspects.

c. Alternatives to the canal (oil pipelines, containers, pipelines for semisolid substances, or other means).

d. Use of lands adjacent or close to the canal (light and heavy industry, shipyards, free zones, transshipment of cargo).

e. International airports and commercial aviation (cargo and passengers) in metropolitan areas and in the interior of the country.

3. Reasonable and Effective Customs Protection.

a. Contradictory policies halted the process of industrialization and increased imports. The manufacturing sector needs protection and support that should not be a gratuitous subsidy to increase the benefits of businessmen. The large profits resulting from protection must be taxed or, as an alternative, they should be reinvested in other activities. We are advancing from budding means of replacing imports to the technologically advanced industrialization that produces for internal and foreign markets. The main requirement for industrialization is the existence of clear, acceptable rules, accompanied by reasonable protection. The existence of an installed industrial capacity that is largely idle is a waste of resources.

b. Agricultural product

i. The agricultural sector still has growth potential if it seeks self-sufficiency in food production and develops exports such as bananas, meat, seafood, fruits, vegetables, cocoa, coffee, honey, flowers, and tobacco, among others.

ii. The future of agriculture lies in the independent farmer who has access to land, credit, expansion possibilities [servicio de extension], and good prices and markets. The state effort to support a minority of the population gathered into politicized groups such as peasant settlements, collectives, associations, and boards resulted in enormous losses and very low production.

iii. Agrarian reform does not exclude the independent farmer. The solution to the agricultural problem depends on the organization of services to support production, the distribution of deeded lands, diversification of production, research, technical assistance, and agricultural expansion. The country needs farmers who independently own the land.

iv. As an instrument of support, we will utilize cooperatives, the Rural Youth Foundation, and other organizations that truly seek to promote the country's neglected social sectors.

v. The banana industry requires a search for realistic, effective, and fair understanding. It should not be too difficult to seek a relationship that takes into consideration the interests of the workers, the state, and the enterprises. Ideology and politics have hampered an understanding being reached. The country cannot allow the disappearance of the banana industry, an important source of jobs, foreign exchange, and fiscal income.

vi. Livestock policy has been totally misguided, to the detriment of the producer and the consumer. Agricultural production has suffered the negative effects of the price policy, a politicized agrarian reform, production and export quotas, and controls that were abusive because of cronyism and official favoritism.

vii. It is necessary to give due attention to renewable natural resources, to the adequate use of waters, coasts, and islands, and to reforestation. The irrigation projects in Azuero and Cocle will be given top priority.

4. Financing of the national economy.

a. In view of the heavy debt of the public sector, fiscal limitations, and restrictions imposed by agreements with the IMF and the World Bank, it is up to the private sector to meet the principal needs of investment financing. The public sector will have to meet the need for economic and social infrastructures.

b. We must give direct local or foreign investment priority over the option of financing through indebtedness.

c. We need to obtain resources for development by attracting foreign investment. In the case of certain projects, it is better to be a partner than a debtor. We must not reject multinational companies that have resources and technology. Let us avoid refusing, because of any complex we might have or because of political ideologies, to negotiate with foreign investors, who generate jobs, exports, and national wealth.

B. BASIC GENERAL POLICIES:

1. Simplified and neutral income tax

2. Customs policies

3. Price control planning

4. Labor policy

a. Full-time employment

b. Development of productivity:

i. To improve wages

ii. To strengthen the country's international competitiveness.

5. The promotion of small businesses, especially in the areas of technical and administrative training, effective financing, guaranteeing funds, supporting marketing operations, and other aspects that should be included in a small business code.

6. General incentive system.

IV. BUDGET POLICIES:

A. The government's operational capacity depends on its public finances. The high interest rate of the public debt demands a reprogramming of the debt. Before we fall behind or stop paying, we must seek orderly refinancing; there are enough reasons to justify it. Many projects suffer from serious errors of judgment and very low quality in the investments; there are also many cases of wrongdoing. We need a change of government to ask for a refinancing of the debt, because it can hardly be expected from those who built up the debt and mismanaged those funds.

B. Objectives:

1. To reverse the budget deficit trend.

2. To reverse the trend of the public-private investment system.

3. To examine the state of industrial, agricultural, commercial, and service public enterprises according to a detailed analysis of the situation of each so as to decide which is the best option for state finances and the country's economy.

4. To establish effective budget controls for the central government and decentralized institutions.

5. To establish controls in the rates for electricity, water, communications, and other public services.

6. To eliminate subsidies to state enterprises.

C. Expenditure Policy:

To plan the government's expenditures and reduce subsidies. The main problem of public finances is controlling expenditures. By spending more than we have we create a deficit, and this leads to falling into debt.

D. To examine the state activities and policies in relation to commitments and agreements with financing institutions for a structural adjustment aimed at obtaining the most adequate solutions in the nation's interest.

V. FOREIGN RELATIONS:

A. Definition of the national interests that Panama's foreign policy must protect.

1. Panama Canal

a. Fulfillment of the 1977 treaties.

b. Effective and increasing participation in the benefits and administration of the canal.

c. Efficient management.

d. Maintenance in good condition of the installations and better utilization of adjacent areas and reverted property.

e. Financing the widening of the Culebra Cut.

f. Adjustment to long-term demands.

2. Access to markets and adequate conditions for exporting goods and services.

3. Obtaining the best conditions for foreign financing of the economy.

4. Reinforcement of peace, stability, and democracy in Central America by ending the era of risky interventionism.

5. Development of mutually beneficial relations with the northern part of South America and the Caribbean countries.

6. Protection of national resources.

7. Free trade treaties with Central America need to be maintained and expanded for increasing, balanced, and well-compensated trade with payment mechanisms and agreements.

B. Organize the Panamanian Foreign Service and define its positions in bilateral relations and international forums on the basis of the definition of the national interests.

VI. NATIONAL DEFENSE:

A. Definition of national defense objectives:

What is required of Panama for the defense of the canal?

1. A limited, highly specialized force that deters threats of insurgency internally and from neighboring countries.

2. International defense treaties for protection from threats by foreign forces.

3. Limitation to the military budget, which should be subjected to political control by the civilian government.

VII. SHORT TERM ACTIONS

The immediate task is to establish order, end corruption, and activate the economy.

A. LEGISLATIVE ACTIONS:

1. Simplification, impartiality and generalization of the income tax.

2. Law on productivity.

3. Law on education.

4. Generalization of the incentives for production.

5. Reduce the public sector's deficit.

6. Control of public debt.

7. Reorientation of the structure of incentives to the industrial sector.

8. Law on the use of areas in the former Canal Zone.

9. Revision of housing laws.

10. Restructuring the (5 percent) ITBM [sales tax] to lessen its impact on consumers.

11. Law on publicizing the activities of the state and of its officials, and regulations on the handling of official affairs and the official conduct of government representatives.

12. To maintain a vital construction sector, it is necessary to amend housing laws, start adequate programs for urban renewal, and build houses with adequate financing, guaranteeing the maximum utilization of national products.

13. The Labor Code and its administration are the main cause of unemployment. It increases costs, damages small enterprises, establishes no differences between small and large enterprises, represents a threat to productivity, establishes unsustainable salary structures, and encourages automatization and mechanization. Political norms are imposed instead of trying to establish justice and equity in labor-management relations.

14. The joint defense [of the canal] has created a military apparatus that intervenes in all national activities. If the canal is neutral, we should review the possible implications of creating an enormous army, which might represent a costly and powerful occupation force in our own homeland.

b. The Armed Forces' role:

Panamanian military officers have an important role to fulfill with their professionalism and patriotic duties. Their activities and tasks should not be linked to partisan politics. The military forces' intervention in decisions regarding public affairs has been unfortunate and catastrophic. The military forces' duties and responsibilities are to enforce the law and guarantee national order and security. They will contribute to the country's recovery and development only in this capacity.

c. Separate the police's defense duties:

1. Defense duties under a Defense Ministry.

2. Police duties under the Government Ministry.

B. ADMINISTRATIVE PROGRAMS AND ACTIONS:

1. Reduce the activity of the state in the economy and improve the efficiency of the public sector.

2. Immediately begin efforts to improve the foreign debt due date structure and thereby reduce debt servicing charges.

3. Public sector budget for 1985.

4. Utilization of areas and installations of the former Canal Zone within the shortest possible time.

5. Low cost housing program.

6. Measures for the short-term utilization of the Reagan plan for the Caribbean Basin.

7. Elimination of the bottlenecks in meat exporting.

8. Reorganization of the old section [of Panama City] and urban renewal. In Panama and Colon, urban renewal represents the salvation of huge investments. Exploiting the existing infrastructure is better than developing new areas, creating new problems.

9. Reviewing support prices and beginning to eliminate price controls.

10. Definition and implementation of a customs policy.

11. Financial program for 1985-1986, especially including the refinancing of the medium-term foreign debt.

12. Priority attention to the problem of public urban transportation, reopening it to private initiative.

13. Examination of the efficiency and cost of public institutions.

14. Establishment of controls on public investments.

15. Adoption of regulatory plans in the country's main urban centers in order to promote their harmonious, rational development.

16. Construction of a public park in the empty areas of Maranon.

17. The situation in Colon is an affront to the nation. The number of unemployed is growing; those who are unemployable are desperate because people have been unemployed so long that they no longer have skills, and the youths have never worked. With a 30-percent unemployment rate, Colon is a powder keg whose situation is now being complicated by the crisis in the Free Zone. So long as the solutions being applied disregard the Colon residents, there will be no hope. Colon will be the target of an emergency plan.

C. ANTICORRUPTION MEASURES:

1. Complete overhaul of the judicial system.

a. Replacement of magistrates with persons who are respected by the citizenry.

b. Reorganization of the system.

c. Provision of adequate economic resources.

2. Review of contracts signed by the state.

CONCLUSION

We realize that we are going to inherit a national economy and public finances in a disastrous state, burdened by indebtedness, deficits, mistrust, corruption, and general demoralization. Those who are responsible for this state of affairs cannot expect to remain in power. They had their opportunity, and they failed.

Our problems can be solved, and the solutions are feasible, even within the confines of the commitments that the present rulers have imposed on future generations.

The Democratic Opposition Alliance's proposal for national reconstruction does not include large, demagogic investment plans or facile solutions, because we are aware of the limitations involved in administering a government we will be inheriting in a state of bankruptcy. The reconstruction will be based on the Panamanians' willingness to work, on the honesty of the government, and on the efficiency of the administration, all of which will be backed by a strong popular will because, as Carlos Rodriguez [Alliance's vice presidential candidate] has said:

"Only a government with a clear popular mandate will restore faith in the country's people and institutions, which is the basis for beginning a true economic development founded on justice, efficiency, ethics, and respect."

TRANSPORTATION LEADERS ENDORSE UNADE CANDIDATE

PA120004 Panama City Televisora Nacional in Spanish 2300 GMT 10 Apr 84

[Excerpts] Leaders of transportation organizations with a total membership of more than 7,500 members last night expressed their support for UNADE [National Democratic Union] presidential candidate Dr Nicolas Ardito Barletta during a meeting with him at Panama City's Lung Fung Restaurant. Forty-three labor unions and five federations from the provinces of Chiriqui, Veraguas, Herrera, Los Santos, Cocle, Colon, and Panama were represented at the meeting.

BRIEFS

NEW PROVINCIAL PUBLICATION -- The first edition of the new monthly publication LA OPINION is already circulating in Chiriqui Province. The publication, whose director is Magdaleno Sanchez Reyes, will be dedicated mainly to serving the general interest of the province. [Summary] [Panama City LA ESTRELLA DE PANAMA in Spanish 30 Mar 84 p 4 A PA]

COSTA RICA

FOREIGN MINISTER DISCUSSES NICARAGUA, CONTADORA

PA130134 Paris AFP in Spanish 0019 GMT 13 Apr 84

[Text] San Jose, 12 Apr (AFP) -- Foreign Minister Carlos Jose Gutierrez today said that Costa Rica will normalize its relations with Nicaragua beginning next weekend, when it has ordered Jesus Fernandez, who had been recalled for consultations early in March, to return to his post as ambassador in Managua. The Costa Rican Government had recalled its ambassador to Nicaragua after a border incident in which mortar shells fired by the Sandinist army fell in Costa Rica.

On recent events that seem to indicate that Nicaraguan counterrevolutionary groups are intensely active in Costa Rica, the minister said only that he had no data on these activities. He reiterated his government's position of neutrality in the hostilities in the region. In particular, Gutierrez said that he has not yet read an Office of Public Security report, presented to him today, on an airplane carrying materiel for the Nicaraguan counterrevolutionaries that reportedly fell in northern Costa Rica 3 weeks ago. He added that he knows nothing about the presence in San Jose of Eden Pastora, leader of the Democratic Revolutionary Alliance [ARDE], a little over a week ago, as was reported to AFP by a reliable source here. He was equally noncommittal in response to questions about reports circulating here to the effect that the city of David, Panama, is the starting point of the flights carrying arms for the Nicaraguan counterrevolutionaries that have flown over Costa Rican territory for weeks.

Pastora was expelled from Costa Rica for his armed activities against the Nicaraguan Government, but he has reportedly been in the country "semiclandestinely" on several occasions. The authorities disclaim any knowledge of this. The anti-Sandinist leader is currently heading an offensive that his men have launched against the town of San Juan del Norte in the extreme southwest of Nicaragua, on the Costa Rican border.

As a result of that attack, Nicaragua today presented a note to the Costa Rican Foreign Ministry, charging that the attack was launched from Costa Rica and asking the government to intervene to end these activities. However, the foreign minister said that he has as yet received no report on this from regional authorities.

Asked about his recent trip to Colombia, Gutierrez disclosed that he had talked with Colombian Foreign Minister Rodrigo Lloreda about the possibility of postponing the upcoming meeting of foreign ministers of the Contadora Group -- made up of Mexico, Venezuela, Colombia and Panama -- with their Central American counterparts, which was scheduled for 30 April. Gutierrez noted that since presidential elections will be held in El Salvador and Panama on 6 May, it would be very difficult for the foreign ministers of those countries to participate in the meeting. The Costa Rican foreign minister also noted that the four commissions created by the Contadora Group to analyze the Central American problem are scheduled to present their reports on that date. He expressed the belief that by postponing their own meeting, the foreign ministers would have a chance to read the working groups' reports.

The Costa Rican minister also commented on the mining of Nicaraguan harbors, saying that he does not know who is responsible for it. He speculated that there are two possibilities: that it was done by the U.S. Central Intelligence Agency, which would be a "clear violation of international law," or that it was done by the counterrevolutionary groups, which would be one more act in the war that is being waged in that country. In either case, the minister said, it is a threat to international navigation.

NICARAGUAN PROTEST OVER ARDE ATTACKS REJECTED

PA122350 Panama City ACAN in Spanish 2328 GMT 12 Apr 84

[Text] San Jose, 12 Apr (ACAN-EFE) -- The Nicaraguan Government today sent a protest note to the Costa Rican Government over the attacks by anti-Sandinist groups led by Eden Pastora against the Port of San Juan del Norte on the Atlantic Ocean. Costa Rican Foreign Minister Carlos Jose Gutierrez said this afternoon that in the protest note the Nicaraguan Government asserted that the insurgents attacked "from within Costa Rica." However, Gutierrez said that the Costa Rican Government has rejected this statement "because the accusations are false."

OFFICIAL REPORTS NICARAGUA CAPTURES 2 BOATS

PA130204 San Jose Radio Reloj in Spanish 0100 GMT 13 Apr 84

[Live report by an unidentified journalist from the Public Security Ministry's Press Office]

[Text] According to the official report we have just received, two Costa Rican fishing boats were captured this afternoon by the Sandinist Navy within Costa Rican patrimonial waters, specifically, 5 miles south of Puerto Soley. According to a report we have just received, approximately 15 fishing boats were in the zone when Sandinist patrol boats penetrated our territorial waters and captured the boat Camaron Uno, owned by the (Tasmanian) Company, whose captain is Hernan Velez Mayorga, and the boat Don Manolo owned by the Guevara and Alvarez Enterprise, whose captain is Tito Ponce. The public security vice minister immediately, only a few minutes ago, presented an offical report at the Foreign Ministry regarding the events that took place this afternoon. He termed this another violation of our sovereignty by the Sandinist government. He also established contact with Nicaraguan Government representatives to initiate the quick return of the two Costa Ricans who are under arrest at this time. He also ordered the deployment of another patrol boat to the zone of Puerto Soley to prevent any further raids into our territorial waters.

EL SALVADOR

MILITARY COMMANDERS PREPARE FOR RUNOFF ELECTION

PA112322 San Salvador LA PRENSA GRAFICA in Spanish 10 Apr 84 pp 2, 44

[Text] Military commanders throughout the country, who met with representatives of the Armed Forces High Command, yesterday analyzed the country's situation. They discussed the most important national topics related to the military, economic, industrial, and commercial sectors, as well as activities related to upcoming events: Holy Week and the second electoral round. This will require greater participation and vigilance by the military corps and security forces.

Terrorist groups have threatened to obstruct the elections on 6 May, but the Armed Forces will try to guarantee the citizens' security within a legal framework. The Armed Forces' vigilance groups are ready, and constant vigilance is being carried out to anticipate and prevent the terrorist groups' criminal actions, both in urban and rural sectors of the country. According to military spokesmen, the highways throughout the country are being constantly watched, and military patrols are trying to interdict the routes traditionally used by subversive groups to travel from one sector to another.

PCN LEADER SAYS COALITIONS 'OUTLAWED' FOR MAY

PA122130 San Salvador EL DIARIO DE HOY in Spanish 12 Apr 84 pp 3, 37

[Excerpts] Dr Rafael Moran Castaneda, National Conciliation Party, PCN, deputy from Ahuachapan and a member of the board of directors of the Legislative Assembly, has said that: "It is no longer possible for the parties to form coalitions because coalitions have been outlawed for the second round of elections that will take place in May."

"In regard to our supporting the political line of one of the two parties that will participate in the elections, we have been clear in stating our own ideological line."

We asked Dr Moran Castaneda if this meant that his fellow party members were free to vote for whomever they wanted. He replied: "They will unquestionably be free on 6 May; but as I said the party's ideological line is clearly defined, and I think that our fellow party members will know how to analyze this line in order to vote on that date."

"Now, regarding the results of the 25 March elections, we thought that we were a moderating force, and that we could be the party that would conciliate these antagonistic forces in conflict. Unfortunately, we did not have sufficient popular support, and we did not get the votes needed in order to enter the second round of elections."

"Now only the people can decide in this second round which of the two presidential candidates will receive the majority of their votes," the PCN deputy concluded.

DYNAMITE DEACTIVATED AT CCE OFFICIAL'S OFFICE

PA120125 San Salvador EL DIARIO DE HOY in Spanish 11 Apr 84 pp 2, 36

[Text] Thirteen sticks of dynamite were found yesterday morning at the offices of Roberto Meza Delgado, vice president of the Central Electoral Council [CCE]. Meza Delgado is building his private engineering office near La Auxiliadora [a funderal home in San Salvador]. "The work has been left half done because of the political activites in which I have become involved," he said. A guard yesterday morning found the dynamite, with its fuse prepared, at the construction area. There was no detonator or cap. The guard immediately notified the National Police, which sent explosives experts who deactivated and confiscated the dynamite.

According to the explosive experts, the 13 sticks of dynamite had enough power to blow up the entire block. "Fortunately, however, the matter got no further," Meza said.

The police asked Meza whether he had used dynamite in his work recently. He replied that he had not used material of this type in the past 4 years. "Normally, one has to request permission to use dynamite, and recently a double permit has been required because of the present situation," Meza said. He added that in the past few days he has received many telephone threats -- so many that he has changed his number. Thus, he cannot help but be concerned. Meza Delgado, as vice president of the CCE, took advantage of the opportunity to urge Salvadorans to go to the polls on 6 May, when the president of the Republic will be elected.

UNGO VISITS SWEDEN, PREDICTS DUARTE VICTORY

PA120426 Hamburg DPA in Spanish 2215 GMT 11 Apr 84

[Text] Stockholm, 11 Apr (DPA) -- Salvadoran opposition leader Guillermo Ungo has predicted that Napoleon Duarte of the Christian Democratic Party will win the presidential elections in El Salvador.

Ungo, leader of the leftist Revolutionary Democratic Front, told the press here today that he has no doubts about a Duarte victory because Duarte is backed by the United States and the Salvadoran military would be deprived of U.S. aid if Roberto D'Aubuisson (extreme rightist) were to win.

Ungo predicted that if the Salvadoran guerrillas defeated the government the United States would intervene militarily and El Salvador would become "another Afghanistan."

Guillermo Ungo is in Stockholm at the invitation of the ruling Swedish Social Democratic Party. On Friday he will meet with Swedish Deputy Foreign Minister Pierre Schori.

VENCEREMOS CLAIMS CASUALTIES IN SAN SEBASTIAN

PA121556 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 12 Apr 84

[Excerpt] We will now read a military report from the Anastasio Aquino Paracentral Front regarding the FMLN's activities in the city of San Sebastian. Last Sunday, 8 April, at 2100 hours, FMLN troops started an operation called "Commander Ana Maria, Onward Until Victory," which consisted of a strong attack on the enemy garrison in San Sebastian, the second most important city in San Vicente Department.

In addition, other reinforcement operations were carried out on the highways leading to San Sebastian. Despite heavy enemy fire our military troops controlled part of the town and carried out political activities among the residents from the early part of evening while the fighting moved toward the city's downtown area.

Despite desperate requests for reinforcements that were made by the enemy garrison, consisting of members of the National Guard and the Civil Defense, the high command of the 5th Infantry Brigade, showing once more the low fighting morale that prevails in all levels of the puppet army, appeared hesitant in sending reinforcements to Army troops. When the reinforcements were finally sent, they were forced to withdraw following a clash with our troops on the highway joining San Lorenzo to San Sebastian. The Army troops carried away several casualties.

Following almost 12 hours of fierce fighting on the San Lorenzo Highway and in San Sebastian, and having fulfilled their objective, our troops withdrew in an orderly manner. As a result of this successful operation, we inflicted on the enemy of total of 16 injured and 13 dead, including Lieutenant Jose Antonio Castillo Vasquez from the 5th Infantry Brigade. An Air Force NCO and a National Guard corporal were also killed. Two bunkers, a military transport vehicle, and other war materiel were destroyed, and important weapons were seized. In these clashes, we lost two brave companeros. This report was sent from the Anastasio Aquino Paracentral Front.

HONDURAS

CANADA'S MACEACHEN ARRIVES FOR OFFICIAL VISIT

PA121942 Tegucigalpa Domestic Service in Spanish 1130 GMT 12 Apr 84

[Text] Allan J. MacEachen, Canadian deputy prime minister and secretary of state for external affairs, yesterday arrived in the country for an official 3-day visit, during which he will meet with several government officials. MacEachen was met at the Hernan Acosta Mejia (HAM) Honduran Air Base by an official committee headed by Presidential Office Minister Carlos Flores, Foreign Minister by Law Arnulfo Pineda, Army Inspector General Colonel Diego Landa Celano, and the Canadian Ambassador to Honduras Christian Pierre Tanguay. Also present were Foreign Ministry advisers Jorge Ramon Hernandez Alcerro, Carlos Lopez Contreras, Anibal Quinonez, and (Leo Balladares Lanza), as well as Foreign Policy Director Cecilia Francisca Cabanas, and Ambassador Irma Acosta de Fortin, coordinator of the International Development Corporation.

During his stay, the ranking official will meet with several government officials, in addition to meeting with President Robert Suazo Cordova and the presidency minister. During the visit the distinguished official may sign bilateral cooperation agreements, primarily in the forestry field, which is very advanced in this country. The agreement would be signed with the ministers of natural resources and education, the deputy economy minister, the executive secretary of the Higher Council of Economic Planning, INA [National Agrarian Institute], COHDEFOR [Honduran Corporation of Forest Development], the National Enterprise for Electric Power, and engineer Irma Acosta de Fortin.

President Roberto Suazo Cordova and the Canadian deputy prime minister [words indistinct] discussed matters related to the Central American situation and the technical and credit support assistance that Canada can give to Honduras. The Honduran president and Canadian official spoke for 45 minutes. Also present at the meeting were Presidential Office Minister Carlos Roberto Flores and several of the advisers accompanying MacEachen. After the meeting with the president, MacEachen spoke with (?some cabinet ministers) at the presidency for 35 minutes.

The Canadian foreign minister received ample information on Honduras' political and economic condition, according to his comments. The visitor left the Presidential Palace at 1630 to go to the Armed Forces headquarters to meet with General Walter Lopez Reyes. In brief remarks to the national press, he said that it is the first time that a Canadian foreign minister has visited a Central American country. We are very interested, he said, in knowing Honduras' points of view in order to solve problems common to both countries.

PAZ BARNICA COMMENTS ON ALVAREZ, HUMAN RIGHTS

PM111547 Oslo AFTENPOSTEN in Norwegian 6 Apr 84 p 11

[Gunnar Selgard report: "Honduras Feared a Possible Coup"]

[Excerpts] The sudden dismissal last Saturday of Honduran Armed Forces chief General Gustavo Alvarez probably occurred because it was feared that he would mount a military coup. At least four other generals were dismissed in the same connection.

Honduran Foreign Minister Edgardo Paz Barnica, who is now visiting Oslo, was unwilling at a meeting yesterday with the Norwegian press to give any clear answers to the question of whether there were fears of a coup. But he left the impression that such a possibility existed. Paz Barnica added that the changes in the Armed Forces leadership mean a strengthening of democratic developments in the country. The foreign minister was himself at home in Tegucigalpa when the Armed Forces chief and other leading generals were fired. Later the same day he traveled to Costa Rica's capital, San Jose, where at a meeting with President Luis Alberto Monge he requested that Costa Rica admit the exiled Alvarez.

During the meeting with the Norwegian press it emerged that Paz Barnica was unaware of the fact that the Costa Rican authorities have since begun investigations into Alvarez' activities and banned him from leaving the country because they suspect him of being behind the kidnapping of three Costa Rican citizens in Honduras. The foreign minister knew that Alvarez' name was connected with the kidnapping, but was unable either to confirm or deny that Alvarez had had anything to do with the kidnapping.

The foreign minister denied that there are gross violations of human rights in Honduras. He was extremely skeptical about a report from Amnesty International containing such allegations. He claimed that, along with Costa Rica, Honduras is the only democracy in Central America.

Earlier yesterday, Paz Barnica held talks with Norwegian Foreign Minister Svenn Stray, Overseas Aid Minister Reidun Brusletten, and members of the Storting Foreign Affairs Committee. He said that Honduras is interested in closer economic and technical cooperation with Norway.

LOSS OF NICARAGUAN ELECTRICITY CAUSES SHORTAGES

PA120412 Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 10 Apr 84

[Excerpt] (Raul Perez Guillen), the manager of the National Electric Power Enterprise [ENEE], has traveled to Nicaragua to try to solve the electrical power problem affecting the country. In recent days the situation has become a critical issue in the country, as nearly 50 percent of the Honduran population is left without electricity for 6 hours daily. The manager of the power company is trying to have the Sandinist government restore electrical installations to Honduras and Costa Rica. A few days ago, the Sandinist government said that the electrical towers connecting Honduras and Nicaragua had been destroyed by the counterrevolutionaries, and that since those counterrevolutionaries came from Honduras repair was unjustified. This meant that Honduras would be seriously affected by the shortage of electricity.

LOPEZ REYES INSTALLS NEW BATTALION COMMANDERS

PA122200 Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 12 Apr 84

[Text] General Walter Lopez Reyes, the new Honduran Armed Forces commander in chief, has installed Colonel Leonel Alejandro Gutierrez Minera and Lieutenant Colonel Juan Antonio Licona Sorto as the new commanders of the 2d and 6th Infantry Battalions. Lieutenant Colonel Ricardo Luque Portillo has been installed as commander of the Regional Military Training and Security Center, CREMS, while Colonel Leonel Riera Lunatti was appointed commander of the 1st Infantry Battalion. A commission of the Armed Forces Supreme Council attended the installation ceremony.

NICARAGUA

U.S. CHARGED WITH LAUNCHING NEW 'OFFENSIVE'

PA122123 Managua Domestic Service in Spanish 1837 GMT 12 Apr 84

[News conference held by Brigade and Guerrilla Commander Joaquin Cuadra Lacayo, deputy defense minister and chief of the general staff of the Sandinist People's Army, EPS; Brigade and Guerrilla Commander Julio Ramos, chief of the Intelligence Directorate of the EPS; and Brigade and Guerrilla Commander Lenin Cerna, chief of the State Security General Directorate, at Government House in Managua -- live]

[Excerpts] [Cuadra Lacayo] As our people and the international community know, as a result of the continuous failures of the U.S. Administration's Central American policy and within the framework of U.S. imperialism's plans to overthrow the Sandinist people's revolution; within the framework of their efforts in recent months with the mining of our ports with the objective of weakening the Nicaraguan economy and therefore the defensive capacity of the Sandinist people's revolution; and within the framework of the continuous, persistent, and clear signals from the United States that as you know have for a long time been pointing out the preparations for and the reaffirmation of the U.S. Administration's intention and political desire to overthrow our revolutionary government and the revolution -- these actions have persistently continued with the violation of our airspace, the spy flights, the presence in our waters of U.S. warships, and the maneuvers in Honduras -- within the framework of this situation, in the last few days the U.S. Central Intelligence Agency, through mercenaries, Somozists, and traitors, has launched a new general offensive against our Sandinist people's revolution and against our people.

After the defeat suffered by these CIA forces and army in their past offensives in the past months, the CIA has been reorganizing and resupplying the counterrevolutionary group called FDN [Nicaraguan Democratic Force], which operates in Honduras. The objective of this reorganization of the FDN under the CIA's guidance was to improve its fighting and operational capacity. In this reorganization of the mercenaries, they regrouped the task forces, forming regional commands of three task forces each. They assigned specific areas of operation to the commands. The counterrevolutionary forces led by traitor Pastora, which operate from Costa Rica, in the last few days also underwent a rapid process of resupply and reorganization. As a result, our country is currently the victim of an aggression, of an offensive that is part of the overall aggression by imperialism with the participation of more than 8,000 counterrevolutionaries who operate in the country's north-central zone, the southern Atlantic zone, and the northern Atlantic zone.

With this number of counterrevolutionaries, and with the characteristics that we will mention later, this offensive is unquestionably the biggest that our revolution and people have suffered to date. This offensive is first of all characterized by broad and unlimited logistical support for the mercenary forces. This logistical support comes from the bases of Las Vegas and Banco Grande, and the well-known counterrevolutionary and Honduran Army base in El Aguacate, from which the CIA directly directs the operations to supply the counterrevolutionaries by air.

This huge and immense supplying of the counterrevolutionary forces to support this offensive... [changes thought] we think that the famous and much discussed proposal for the $21 million for the counterrevolutionary forces which has already been approved by the U.S. Senate. [sentence as heard]

Similar or bigger allocations were given to the counterrevolutionaries months ago. The clear proof is the noticeable increase in the material and logistical supplies for the counterrevolutionary forces. Therefore, this offensive that the counterrevolutionary mercenaries are carrying out against our people is possible thanks to that unlimited and direct material support that the CIA, with the approval of the U.S. Administration, is giving to these counterrevolutionary groups.

In addition, this offensive has a markedly brutal and bloodthirsty character. The counterrevolutionaries have specific instructions to kill the Nicaraguans who have accepted the Government Junta's call contained in the amnesty decree. The targets of their attacks have been peasant cooperatives, our people's property, cooperatives, dams, and minidams. Their activities include the destruction of bridges, the murder of the people, kidnappings, and rapes. This is the kind of action that in the past was characteristic of the guardsmen of the Somozist dictatorship, and which since the revolutionary victory has characterized the activity of the counterrevolutionary groups, the activity of the CIA mercenary army that is attacking our people.

The heroic Sandinist People's Militia [MPS] and EPS troops, better trained, greater in number, and with improved firepower, have as of this date successfully repelled the attacks on towns, as was the case of Waslala, which was attacked by more than 200 counterrevolutionaries, who were not allowed to achieve their objective. The Waslala militia members, the peasants who are militia members, together with Army troops repelled the attack. The counterrevolutionaries were not allowed to come within 1 km of Waslala.

Attacks are also directed by the CIA from Costa Rica. These attacks are carried out by the ARDE [Democratic Revolutionary Alliance] counterrevolutionary group, which is impudently using part of Costa Rica to attack the town of San Juan del Norte. The counterrevolutionaries, the CIA mercenaries, recently reported that they had occupied Waslala in the Department of Matagalpa, and San Juan del Norte in the Nicaraguan southern Atlantic area bordering on Costa Rica.

Dispatches released yesterday and datelined San Jose, Costa Rica, report that the ARDE counterrevolutionary forces have announced that today, at the latest, the military garrison in San Juan del Norte would surrender and that they would victoriously occupy that town. They also stated that Waslala had been attacked and occupied by the counterrevolutionary forces, and that the EPS had suffered many casualties.

In our people's, our revolution's, effective answer to the offensive carried out by the mercenaries and the CIA army that within the framework of the imperialist aggression against our country has been taking place in the past few days, we also have to point out that in the first heavy fighting reported against these groups we have inflicted a large number of casualties on the counterrevolutionaries.

To repel this new and greater counterrevolutionary offensive by the CIA's mercenary army, it will be necessary for our people to put forth a greater effort and sacrifice.

The U.S. Administration's efforts continue, and its policy in Central America has faced serious problems. There are clear signs that point to the preparation of greater aggression against our country.

Therefore, our people, our MPS, and our Armed Forces remain alert to defeat this counterrevolutionary offensive that has proven to be the biggest we have experienced. Our people are also alert to defeat any other offensive or activity that U.S. imperialism might try to impose on us. This includes the struggle for the defense of our territorial waters and against the blockade, against the mines, against U.S. imperialism's and the CIA's attacks, and against internal subversion and their attempt to create an internal front in the cities. This includes the ideological struggle waged by our revolution on a daily basis and the armed struggle waged every day by our people against the CIA's mercenary army that today, in another escalation, is attacking our country.

[Tirado] Julio Tirado, Mexico's EXCELSIOR. I am goint to ask several questions. Aside from the fighting in Waslala, San Juan del Norte, and Yali, where else is fighting going on? Can you give us an approximate figure of EPS and counterrevolutionary casualties? Is it true that the EPS downed an aircraft carrying a shipment of weapons?

[Ramos] The aircraft was not downed; it crashed in Costa Rica. It was carrying a shipment of weapons to a border area in Costa Rica. In the crash three CIA people were killed. This was further proof of the presence and the degree of involvement of the CIA in the counterrevolutionary operations, and not just involvement in the mining of the ports, which they have already admitted. It was also further proof that one of the characteristics of this offensive is the unlimited logistical support that the CIA is giving to its army of mercenaries, and this support is not being given with the $21 million that is still being discussed and has not been released.

[Unidentified speaker] Regarding the combat areas, clashes have taken place in the last week in Nueva Segovia Department. It must be noted that the counterrevolutionary force that was operating in that territory has already been pushed out of Nicaragua. We are referring to the clashes near the cities of Ocotal, Telpaneca, Ciudad Antigua, and and so forth, as well as in other areas of Jinotega Department -- in addition to those already mentioned, in the northern area -- such as the areas close to Wiwili, 20-30 km east, near the hills of Kilambe, Awawas, (Plan de Grama), and so forth.

We must stress, too, that there have also been clashes of minor intensity in the northern Atlantic area and the southern Atlantic area. In the northern Atlantic area, an outstanding clash was the counterrevolutionary attack on Sandy Bay, 60 km north of Puerto Cabezas, which was repelled a few days ago. In the southern Atlantic area, in addition to the attack on San Juan del Norte, which is on the border with Costa Rica, minor and medium-intensity clashes have continued in various places near Nueva Guinea.

Regarding the number of casualties, even though we have not brought any updated figures, we can guarantee that not less than 310 counterrevolutionaries have been killed during this offensive. We are not including in this figure other deaths that are still pending verification. However, in the next few days we will probably be able to confirm the death of between 30 and 40 more counterrevolutionaries, basically in the fighting of the last few days.

[Saldivar] Jose Saldivar, of UNOMASUNO of Mexico. I have two questions: What is the EPS evaluation of the developments within the Honduran Armed Forces following the ouster of General Alvarez Martinez; and, two, approximately how many counterrevolutionaries remain in camps in Nicaragua?

[Cuadra] We trust that this change within the Honduran Armed Forces will result in a restoration of communications, and that after this we will be able to discuss our differences and problems.

[Question indistinct]

[Cuadra] Currently over 1,500 counterrevolutionaries are involved in the offensive inside Nicaragua. [Words indistinct] approximately 1,500 counterrevolutionaries, approximately 1,500 counterrevolutionaries; pardon me, a part of the counterrevolutionary force still remains in Honduras. [sentence as heard] They are ready to enter [words indistinct] as reserves in the places they occupy for camps, where they have hospitals and carry out logistical support activities, and so forth and so on. [sentence as heard]

[Simcum] [Name indistinct] Simcum, of the FINANCIAL TIMES of London. Two points: You said that this has been the largest offensive against the country up to this time. My impression is that [word indistinct] general mobilization to confront this offensive, but there are [words indistinct]. My second question is: I have reports from Costa Rica that there is a ship on the Atlantic coast at the mouth of the San Juan River that is [words indistinct] weapons for the contras there. [passage indistinct] Can you confirm this or not?

[Cuadra] [Words indistinct] the last part.

[Simcum] I have a report from Costa Rica that a ship is anchored near the mouth of the San Juan River, and that it is delivering weapons to the contras in Costa Rica through (Barro Colorado). Can you confirm this, or [words indistinct]?

[Cuadra] We have indeed noted that this has been the largest counterrevolutionary offensive of which our country has been a victim because of the number of counterrevolutionaries who are directly involved in the military operations of the offensive; because of the characteristic we have stressed -- the CIA's direct management of the military operations -- and also because of its tremendously brutal and bloody nature.

In the first place, North American imperialism wishes to play down or minimize the brutality involved in the use of mines and the de facto act of war represented by the placing of mines in our ports. It is also trying to minimize the flagrant violation of international laws through the failure to recognize the International Court at The Hague.

In the second place, regarding your second question, counterrevolutionary forces for the past 2 days have been attacking San Juan del Norte almost continually. This region is sparsely populated or uninhabited. It is mainly an important geographic reference point in the southern Atlantic area.

For 2 consecutive days, counterrevolutionary forces involving up to 300 men have been using light artillery and speedboats from Costa Rica to attack this point -- which cannot be called a town because there are practically no inhabitants there -- this geographical location, the military garrison located at this remote point in our national geography, which is San Juan del Norte. Yes, they have therefore used ships that obviously do not come from other Caribbean countries, which obviously cannot come from any other place but Costa Rica.

We do not discard the possibility -- or rather we are convinced that -- fierce clashes will take place in the northern area of our country during the next few days or weeks, mainly in the territories pointed out by Commander Ramos. This will be due to the pressure currently being exerted on those small groups. Although the enemy groups may evade the Army's troops, they cannot escape the territorial peasant militias; therefore, the enemy is compelled to reorganize in slightly larger groups that are more easily detected, located, and attacked later on. Therefore, we predict that important and victorious clashes will take place during the next days or weeks in the northern region of our country.

[Lang] Andres Lang, of Hungarian television. Who are these counterrevolutionaries and what is their nationality, given that they come from Honduras and Costa Rica?

[Unidentified speaker] A short time ago Adolfo Calero, the leader of the northern counterrevolutionary organization, the FDN, and [ARDE leader] Alfonso Robelo, who is in Rome, issued statements almost simultaneously, showing an incredible brazenness and a servility that was not witnessed even during Somozist times. They said the CIA had nothing to do with the mining of our ports. Calero added that the FDN would continue mining the ports, and Robelo said ARDE would continue mining the ports. Their fruitless plan was to defend their masters, and it was totally ridiculous, brazen, and shameful. This proves once more in an overwhelming way the charges made by the Sandinist People's Revolution: It is the CIA -- with the direct approval of the U.S. President -- which has been financing, directing, and organizing the counterrevolutionary activities and counterrevolutionary groups. These counterrevolutionary groups would be nothing without the CIA, its support, its guidance, and without its $21 million or $50 million, or any amount given to them.

[Brecht] Mike Brecht, NBC. Government officials in Washington, specifically the CIA, have said the ports were mined to stop the shipments of weapons being sent to Salvadoran rebels. What can you say about this?

[Unidentified speaker] Obviously the CIA counterrevolutionaries' activities in the north-central zone of our country have absolutely nothing to do with the alleged traffic of weapons from our country to El Salvador. The mines in our ports have nothing to do with the traffic of weapons to El Salvador, either. The United States has no right to carry out these indecent, inhuman actions of mining ports, or financing and directing counterrevolutionary mercenary groups against a country -- even under the assumption that this country sends weapons to El Salvador, because those actions violate every conceivable law. Even though the United States has deployed frigates and highly sophisticated ships equipped with surveillance systems in Nicaraguan territorial waters and near the limits of the Gulf of Fonseca -- which is a commonly shared border among El Salvador, Honduras, and Nicaragua -- in an obvious search for the alleged ships that pass loaded with weapons from Nicaragua to El Salvador, it has not been able to show the world or anyone -- even to its own Congress -- a single piece of evidence of that alleged traffic of weapons. This is a diversionist political maneuver by U.S. imperialism to cover -- or try to cover -- its real intentions: to destroy the Sandinist people's revolution.

[Brecht] Sir, are you denying that your government is sending weapons to the rebels?

[Unidentified speaker] Yes, yes, completely, yes.

[Unidentified reporter] How can it be explained that the contras have been able to remain in the country? How do they receive support from the population, or what logistical support do they receive?

[Unidentified speaker] In the region to which we are referring -- and perhaps this will further answer the previous question -- Nicaragua has extensive and remote jungle areas where land surveys have not been carried out. Therefore, the counterrevolutionaries begin to face the armed and organized people when they reach the towns, that is, the towns nearest the uninhabited areas of our country, near the Honduran border. Another factor is that the difficulty in transportation and roads in this area hinders our immediate response. But as Commander Cuadra was saying, we are responding to this, responding with all of our people's forces.

[Question indistinct]

[Unidentified speaker] That is correct. A characteristic of this action and operation by the CIA -- everyone is already convinced that the CIA is directing this on the instructions of President Reagan's government -- is precisely the logistical provisioning. This is the same as all the other campaigns that they have carried out in other parts of the world. They use DC-3 and C-47 planes. There are even companies -- the newsmen who know about this even know their names -- that are involved in contracting out planes to the CIA for logistical provisioning. This logistical provisioning is possible due to the closeness to our border, the short distances in Central America, and the huge logistics base that the CIA has installed in Honduras. This was proven with the crash -- the downing of -- the plane from El Aguacate that was denounced last year, and it was also seen with the involvement of the famous helicopter that they admitted was coming from El Aguacate.

[Reyes] Alberto Reyes of BARRICADA. The U.S. news agencies have reported that the CIA and frogmen of the U.S. Navy have placed approximately 600 mines. What is the real situation? How many mines have been deactivated? What is the situation? Will the EPS accept the French offer of aid? What are the regional commands of the counterrevolution?

[Unidentified speaker] First of all, we have no exact knowledge of the number of mines that were placed. So far, either by hitting merchant ships or fishing boats, or as a result of the activity of our Navy in exploding and deactivating those mines, no less than 18 mines have exploded in our ports. It is obviously very hard to verify that there are more mines. In recent days, many merchant ships have entered and left the Port of Corinto, and no mines have exploded. Some smaller ships have entered and left Puerto Sandino, and no mines have exploded. Some merchant ships have also arrived in El Bluff on the Atlantic, and no mines have exploded. We consider the possibility that there are additional mines in our harbors to be remote at this time because they would already have exploded. Because we know of President Reagan's imperialist arrogance, we do not rule out that the CIA at any time will continue mining our ports as part of its strategy to destroy and weaken the revolution and to hit the defensive potential of the Sandinist people's revolution despite the [U.S.] internal discussions, criticism, and sanctions. Therefore, we don't rule out that imperialism will continue this activity.

Regarding the second question, that is a government decision. The Army will not decide whether to receive help from those offering to sweep the mines from the ports. Our government is aware of the material limitations on the efficiency of sweeping the mines from the ports. Our government is pleased by the international reply, which consists of condemnation of this action by U.S. imperialism and of willingness to help us.

RAMIREZ BLAMES REAGAN FOR CANCELED U.S. TOUR

PA120519 Managua Domestic Service in Spanish 0300 GMT 12 Apr 84

[Text] Junta member Sergio Ramirez Mercado has written the following letter to personalities who invited him to visit the United States:

Managua, 11 April 1984, 50 Years Later, Sandino Lives

My most esteemed friend: I must inform you that I am obliged to cancel my planned trip to the United States, and therefore to decline the honorable invitation extended by your university, since the U.S. Government has refused to permit my visit, restricting its visa authorization, in a manner that is unacceptable to my government and to the Nicaraguan people, only to the State of Kansas and for only a very few days.

The Nicaraguan Government is continuing to make an effort to find a path of constructive dialogue with the Reagan administration that would allow, through civilized paths, the achievement of a lasting, stable peace in this part of the world and an end to the state of permanent aggression to which the Reagan administration has subjected our country.

However, the U.S. Government rejects dialogue and refuses to allow the U.S. citizens to have the opportunity to hear us, while on our part we keep the doors of Nicaragua open to envoys of that same administration, as well as to senators, congressmen, and other representatives of U.S. society.

As long as, instead of allowing us to present our viewpoints in the United States, the official policy continues to be to mine our ports and to commit other official acts of terrorism and aggression, the Reagan administration will continue to be acting against the interests of the U.S. people and against peace and understanding.

Very cordially yours,

[Signed] Sergio Ramirez Mercado, member of the Junta of the Government of National Reconstruction

The letter is addressed to a number of personalities, universities, and institutions of the United States who had extended invitations to Companero Sergio Ramirez Mercado, including: (Jame E. Goodin) of the University of Kansas, Kansas; (Duane Hacker), president of the University of Kansas in Manhattan; (Sheldon Cohen) of the University of Topeka, Kansas; (Jame Hardwood), dean of the Harvard School of Law, Cambridge, Massachusetts; (Edgar Smith), professor of Political Science of the Massachusetts Institute of Technology, Boston, Massachusetts; (Robert L. Nichols), executive director of the World Affairs Council of Boston, Boston, Massachusetts; (Elizabeth Mann), coordinator of the Latin American Studies Program at Yale University, New Haven, Connecticutt; (Daimon Bark), dean of the School of Arts and Sciences, University of Pennsylvania, Philadelphia, Pennsylvania; (Thomas Singlemudd), director of Iberian-American Studies at the University of Wisconsin; and (Fred Berlin), chief of the Berkeley Center of Latin American Studies and coordinator of the Joint Berkeley-Stanford Center for Latin American Studies in Berkeley, California. [all names and places of institutions as heard]

DANIEL ORTEGA SENDS LETTER TO COSTA RICA'S MONGE

PA120331 Managua BARRICADA in Spanish 9 Apr 84 p 2

[Letter sent by Daniel Ortega, coordinator of the Nicaraguan Junta of the Government of National Reconstruction, to Costa Rican President Luis Alberto Monge, dated in Managua on 4 April]

[Text] Mr President, my friend:

It is an honor for me to respond to your letter of 27 March in which you express your government's interest in knowing my government's policy toward Costa Rica.

It is a pleasure for me to reiterate that the policy of the Government of National Reconstruction is cohesive and unambiguous, and that it manifests itself in the desire and intention to develop and maintain a relationship of the utmost friendship and cooperation with your people and government, to which we are linked by strong bonds of history and fraternity. We also wish to reaffirm Nicaragua's strict allegiance to the principles of self-determination and nonintervention in the internal affairs of other states, as well as its respect for the principles of sovereignty and territorial integrity.

Unfortunately, the United States has attempted to tarnish our relations by promoting and financing the actions that mercenary forces carry out against Nicaragua and which we have reported to your government on different occasions.

Since September of 1983 and into March of this year, mercenary forces have been launching attacks against our country behind the back of your government.

These actions include the destruction of the Nicaraguan border post at Penas Blancas; the attacks on Cardenas and Sapoa, in which members of the Sandinist People's Army were wounded; and the attacks on the Nicaraguan border posts at El Naranjo, Pueblo Nuevo, and La Quebrada. The mercenary forces have also kidnapped 14 peasants whom they subsequently led into Costa Rica. They have routinely harassed the El Naranjo and La Colina border posts in unsuccessful attempts to occupy them, from Conventillos, in Costa Rica; and they have harassed the Nicaraguan border posts at El Papaturro and Los Chiles. Several persons have been wounded and others have been killed, including several children, as a result of these actions.

We were recently very disturbed to read a dispatch of the AFP news agency datelined San Jose on 1 April in which the counterrevolutionary organization ARDE [Democratic Revolutionary Alliance] publicly stated that it mined a 50-km strip of the shore of Lake Nicaragua between the mouth of the Sapoa River and the village of Colon.

In response to these actions, Nicaragua has been explicit in clearly pointing out those who are directly responsible for promoting and funding those mercenary forces, at the same time that it has reiterated on different occasions its confidence in the policy of neutrality that your government has proclaimed.

As you know, these actions have not only meant the loss of human lives and large material losses for Nicaragua, but they are also an attack on Costa Rica's neutrality at the same time that they try to demage relations between our two states.

The Government of National Reconstruction believes that the repetition of these actions by the mercenary forces, such as the ones I have noted, comes at a time when tensions have increased in Central America as a result of the increased U.S. military presence and the intensification of the military aggression against Nicaragua. These include air and sea warfare; acts of sabotage against civilian, military, and economic targets; and the mining of the most important ports of the Pacific and Atlantic coasts of Nicaragua.

We are also disturbed by the recent international campaign of distortion and accusation, which has attempted to accuse Nicaragua of threatening to place mines in the waters of other Central American ports. This campaign is a new provocation that is part of the same escalation of aggression to which we referred before. It is intended to justify the increase of the actions of war and terror against our country. The Government of National Reconstruction, which respects the norms of peaceful coexistence between states as well as international law, has never promoted, encouraged, and much less participated in any kind of terrorist action and it never will, as it will never take part in the state terrorism that is currently being waged against our nation.

You may rest assured of Nicaragua's untiring devotion to peace, which has shown itself in the search for peaceful, political, honorable, and just resolutions to the problems of the region.

We once again reaffirm to the government over which you preside the most sincere will of the Government of National Reconstruction to renew the dialogue that we had been undertaking within the framework of the joint commission. This commission is the appropriate forum to resolve the problems that emerge, so as to guarantee the bonds of fraternity, friendship, coexistence, and cooperation that unite our two peoples and governments.

I take this opportunity to reiterate to you my highest esteem and consideration.

Daniel Ortega Saavedra

COMMENTARY NOTES TELEVISION SYSTEM'S ACHIEVEMENTS

PA120122 Managua Sistema Sandinista Television Service in Spanish 0200 GMT 11 Apr 84

[Station commentary]

[Text] Among the policies formulated by our vanguard, the FSLN, in its efforts to transform Nicaragua's television system, is the decision to earn international status for our media. In that area, the following has been achieved:

Professional and technical traning has been extended to us by friendly countries like Cuba, Mexico, the GDR, France, and Czechoslovakia, which have influenced the proficiency of our personnel, and thus, the quality of our programs. This enhanced quality of our productions has made it possible for us to continuously broadcast information abroad about events in our country, thereby contradicting the misinformation that imperialism has spread regarding the Sandinist people's revolution. Our programs have been seen in France, Spain, the GDR, Cuba, the Netherlands, Mexico, Ecuador, Venezuela, and Canada. In these 4 years and 9 months of revolution, we have sent over 600 hours of programs abroad, among which we should point out: "The Paths by Which Nicaragua Lives;" "Promusicales," a musical; and our documentary "Attack on Nicaragua," which has received the most recognition abroad.

Another feature that is of interest has been the coverage, which we have transmitted by satellite, of important events in our country, such as the celebrations of the anniversaries of our revolution, the meeting of the Coordinating Bureau of the Nonaligned Movement, the visit of His Holiness John Paul II. and so forth. These broadcasts have been received in various Latin American, European, and even Asian countries and have won us international recognition because of the quality of the work.

Finally, we must mention our participation in joint productions with several countries, including "The Kidnapping of a Nun," which we did with (PVT-1) of France; "Women in Nicaragua," which we made (Biograph) of Canada; and "By the Path To Return to David," which we made with the Cuban Radio and Television Institute.

REPORTAGE ON ARDE ASSAULT ON SAN JUAN DEL NORTE

ARDE: Town To Fall Soon

PA130154 Paris AFP in Spanish 0046 GMT 13 Apr 84

[Text] San Jose, Costa Rica, 12 Apr (AFP) -- The Nicaraguan Democratic Revolutionary Alliance (ARDE) has said that in the next few hours it will occupy the port of San Juan del Norte in the southeastern area of Nicaragua near the border with Costa Rica. Meanwhile, heavy fighting was going on today in that town.

The Nicaraguan authorities today at noon admitted that some 300 ARDE men were "unsuccessfully" attmpting to occupy the port on the Atlantic. Meanwhile, spokesmen for the anti-Sandinist organization in San Jose reported that they had inflicted between 65 and 70 casualties on the Sandinist Army; however, they did not specify the number of men fighting in that area.

According to the ARDE sources, the siege of San Juan del Norte is being carried out from land and sea, and they added that the "harassment phase is over and the attack phase has begun." The spokesmen for the organization told the press that "we are sure that the Sandinist position will fall before 24 hours have passed." The sources added that the Sandinist Army is entrenched, and this makes it difficult for the men [not further identified] to maneuver.

ARDE also said that it has suffered nine casualties -- three dead and six wounded -- since the fighting in that area began yesterday, Wednesday. It was reported from the Costa Rican border area that five wounded members of the anti-Sandinist organization had entered Costa Rica. One of the five wounded men has died, and the others are being treated at a hospital in San Jose.

A reporter from the San Carlos region in northern Costa Rica reported that the wounded men came from San Juan del Sur [as received] and were handed over to the Red Cross. According to the reporter, ARDE members told him that San Juan del Sur [as received] is ready to fall and that a 300-man column of the Nicaraguan Army, en route to reinforce the garrison, was also attacked by the counterrevolutionaries.

The reporter added that during this latest action the ARDE members, led by former Sandinist Commander Eden Pastora, said that they had inflicted 200 casualties on the Sandinist Army; however, this has not been officially reported by ARDE, which has its propaganda offices in San Jose.

ARDE Soldier on Fighting

PA130227 San Jose Radio Reloj in Spanish 0100 GMT 13 Apr 84

[Text] Contradictory information has arrived in this capital regarding the events in San Juan del Norte, Nicaragua. Heavy clashes are reportedly taking place between ARDE [Revolutionary Democratic Alliance] forces and the Sandinist Army.

Some of Eden Pastora's men, who were brought wounded to San Carlos, have asserted that ARDE has taken over San Juan del Norte, but ARDE representatives in San Jose said they do not have official information about this yet. Jose Vasquez Lopez, one of ARDE's fighters, who was brought wounded to Ciudad Quezada, said Pastora completely controls that part of the Nicaraguan territory and the Sandinist Army is isolated, without possibilities of receiving war supplies or food.

According to the information given by Vasquez Lopez, the fighting in San Juan del Norte is being personally led by Commander Eden Pastora. He said the attacks on this Nicaraguan area started on Tuesday afternoon in such a determined and unexpected way that the Sandinist soldiers did not have time to take positive defensive actions. Even though Vasquez could not give specific information, he said there are many dead -- mainly among the Nicaraguan Government's forces. He added that before he left for Costa Rica an ARDE patrol sank a boat with 150 Sandinist soldiers aboard. According to him, many were killed during this action.

ARDE Claims Town Occupied

PA130406 Panama City ACAN in Spanish 0353 GMT 13 Apr 84

[Text] Panama City, 12 Apr (ACAN-EFE) -- Democratic Revolutionary Alliance (ARDE) Forces, led by Eden Pastora, tonight occupied the Nicaraguan City of San Juan del Norte, located on the Atlantic coast of that country. An ARDE spokesman announced that shortly after 2230 (0330 GMT) more than 1,500 members of that anti-Sandinist organization were able to defeat "the last resistance groups" of the Sandinist People's Army (EPS). Alvaro Altamirano, ARDE representative in Panama, told ACAN-EFE that Pastora's men inflicted 150 deaths on the EPS.

ARDE CLAIMS RESPONSIBILITY FOR MINING PORTS

PA122004 Panama City ACAN in Spanish 1843 GMT 12 Apr 84

[Text] Panama City, 12 Apr (ACAN-EFE) -- The Revolutionary Democratic Alliance, ARDE, today claimed responsibility for the mining of the Nicaraguan Ports of Corinto, in the Pacific, and El Bluff, in the Atlantic, as well as the mining of a southern section of Lake Nicaragua. A communique signed by Eden Pastora, military leader of ARDE, and released by the anti-Sandinist representatives in Panama justifies the placing of the mines in port waters stating that it is "a sovereign right in the struggle to be free from the foreign Cuban-Soviet yoke."

ARDE's communique, which is dated in Sarapiqui, "free territory of Nicaragua" states that "this and more will be necessary to attain the liberation of Nicaragua and peace in Central America." It adds that "ARDE believes that any other identical or similar action carried out by another foreign power is only intended to detract from the internal and popular nature of the struggle that is currently taking place in Nicaragua."

Kenneth Dam, U.S. deputy secretary of state, in the course of a close-door meeting of the House of Representatives Foreign Affairs Committee in Washington said that the placing of the underwater mines -- a total of approximately 600 -- under the direction of the CIA stopped a few weeks.

Leaders of the Nicaraguan Democratic Force (who, like ARDE, are using force in an attempt to overthrow the Sandinist Government) stated a few days ago that they also took part in the mining of the most important ports of Nicaragua: Corinto, Sandino, and El Bluff.

FDN SETS CONDITIONS TO HALT WAR ACTIONS

PA130117 Tegucigalpa LA TRIBUNA in Spanish 12 Apr 84 p 3

[Text] The anti-Sandinist Nicaraguan Democratic Force (FDN) yesterday conditioned its proposal to cease all war actions against the Managua regime on the adoption of a peace and national reconciliation plan. In a statement signed by Adolfo Calero Portocarrero, chief of the organization's general staff, the FDN stated that it has the legal right to mine Nicaraguan ports to decrease the flow of weapons from Cuba and the USSR.

Calero said that while the Sandinists have the northern territory of Nicaragua mined, and have even placed mines in Honduran territory causing the deaths of many civilians, the FDN has only mined the ports, without interrupting free international traffic.

Replacement of the Regime

Among the main points included in the peace and national conciliation plan that would "end the Nicaraguan civil war" is the immediate replacement of the Sandinist regime with a provisional government that would freely represent the will of the people. It also asks for respect for the human rights of all Nicaraguans without exception, and the holding of an authentic electoral process within a year. The process would be supervised by the Contadora Group countries, the OAS, and the UN.

Calero said that for the plan to be implemented it would be necessary to have a climate of total freedom in which all foreign military and security forces in Nicaragua would have to be withdrawn. Calero also demanded the withdrawal of the "internationalists involved in public administration since 1979."

The FDN also asked for the immediate dismissal from the Sandinist Army of those soldiers responsible for "crimes against the people," the abolishment of the state of emergency, and a real amnesty law. The organization has also suggested the abolishment of the laws that restrict the freedoms of press and assembly, the patriotic military service law, and the laws that violate the right of private property.

ANTI-SANDINISTS REPORTEDLY DESTROY 3 BRIDGES

PA120503 Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 10 Apr 84

[Excerpt] Managua (IPS) -- As part of the offensive opened in the northern part of Nicaragua, anti-Sandinist groups have destroyed three bridges and have assumed control of a road leading to the northeastern part of Matagalpa, some 227 km north of Managua, according to unofficial reports.

The Sandinist authorities have remained silent about the armed actions in the north of the country since Daniel Ortega, coordinator of the Government Junta, last week denounced the biggest counterrevolutionary offensive to date. Ortega said that thousands of Nicaraguans have been deployed to meet the attack, in which over 8,000 anti-Sandinists, coming from the northern border with Honduras and from the southern border with Costa Rica, are participating.

IPS correspondents learned according to unofficial reports that in the area of Siuna in northern Zelaya Department and along the Caribbean coast heavy fighting is taking place between forces of the Sandinist People's Army and the rebels. The reports added that the anti-Sandinists centered their attacks on economic targets, such as bridges, cooperative installations, fuel depots, and hydroelectric plants. One of the bridges destroyed in the northern sector of the country spanned the Yaosca River.

HUMBERTO ORTEGA MEETS WITH USSR DEFENSE LEADERS

For a Moscow TASS report on a 12 April meeting of Defense Minister Humberto Ortega Saavedra in Moscow with USSR Defense Minister Marshal Dmitriy Ustinov, USSR First Deputy Defense Minister Nikolay Ogarkov, and USSR Admiral of the Fleet Sergey Groshkov, held on Ortega's return to Managua, see the Latin America & Caribbean section of the 13 April Soviet Union DAILY REPORT.

BRIEFS

AMBASSADOR PRESENTS CREDENTIALS -- Cavan Hogue, the first Australian ambassador to Nicaragua, yesterday presented his credentials to Rafael Cordova Rivas, member of the Junta of the Government of National Reconstruction. [Excerpt] [Managua EL NUEVO DIARIO in Spanish 4 Apr 84 p 10 PA]

EXPORT STATISTICS -- Foreign Trade Ministry officials have reported that exports of agricultural products through 31 March have generated more than $120 million in foreign exchange. Coffee exports alone total 288,300 quintals, for an income of $29,570,000. In addition, 1,026,000 cases of bananas were exported for $4,409,000, as well as 336,965 quintals of sugar worth $4,305,000, and 114,430 quintals of cotton for $43,357,000. [Summary] [Managua Radio Sandino Network in Spanish 1200 GMT 10 Apr 84 PA]

CITIZEN SHOT AT VENEZUELAN ENVOY'S RESIDENCE

PA121715 Paris AFP in Spanish 1650 GMT 12 Apr 84

[Text] Havana, 12 Apr (AFP) -- A 28-year-old Cuban citizen was shot to death last Tuesday by the police when he tried to seek asylum at the Venezuelan charge d'affaires residence in Havana, diplomatic sources reported here today.

According to the sources, the incident occurred at 2200 local time when the man tried to disarm one of the policemen who guard the Venezuelan diplomatic headquarters day and night. According to reports, the assailant, who was shot four times by the guards, was accompanied by other persons who managed to flee.

BELGIAN, L.A. PARLIAMENT DELEGATIONS ARRIVE

FL121856 Havana Television Service in Spanish 1800 GMT 12 Apr 84

[Text] A delegation from the Latin American Parliament and another from the Belgian Parliament this morning arrived in our country. Both delegations were invited by the Cuban People's Government Institute so that they could observe the election process and our experiences.

The Belgian delegation comprises 12 senators, 6 deputies, 1 secretary, and accompanying individuals.

Flavio Bravo, president of the National Assembly, and other leaders met the guests at Jose Marti International Airport.

The delegation from the Latin American Parliament is headed by Deputy (Ambrioris Diaz), vice-president of that organization.

The Belgian and Latin American Parliament members will visit places of interest and meet with Cuban leaders.

MEXICAN MACHINERY INDUSTRY DELEGATION ARRIVES

FL120110 Havana Domestic Service in Spanish 2230 GMT 11 Apr 84

[Text] The Cuban Chamber of Commerce has given a reception for the Mexican delegation representing both the public and private machine industry which is in Cuba.

Jose Garcia Pena, vice president of the National Bank of Cuba, [words indistinct], and Antonio Garcia Lara and Antonio Villaverde, vice president and secretary general, respectively, of the Cuban Chamber of Commerce, were present as well as diplomats from the Mexican Embassy.

HAVANA, PRAGUE UNIVERSITIES SIGN AGREEMENT

FL120300 Havana Television Service in Spanish 0100 GMT 12 Apr 84

[Text] Havana University and Charles University of Prague, the oldest in Cuba and Czechoslovakia, respectively, have signed an agreement in the capital of the brother country. The document deals with scientific and pedagogical cooperation. In addition, the agreement on natural and social sciences was extended to the years 1984-85.

ECLA MEETING REVEALS EFFECTS OF CURRENT CRISIS

PA120528 Havana International Service in Spanish 0000 GMT 10 Apr 84

[Report from Lima, Peru, by PRENSA LATINA special correspondent Francisco Forteza]

[Excerpts] Latin America has held an important meeting here that has served to show the world the effects of the profound social and economic crisis being endured in this region, a crisis that is made especially evident by the area's giant debt of approximately $350-380 billion.

The ECLA conference was held at a downtown Lima hotel. Lima, the capital of Peru, has a population of some 5 million. The conference consisted of nine sessions. The first six were at the expert level, and the last three at the ministerial level.

The United States was implicitly accused by the Latin American delegations of being the cause of bank loan interest hikes and the other ills the area is enduring. Washington was also accused of carrying out aggression in Central America, especially against Nicaragua.

The meeting, which opened on 28 March, dealt with 20 subjects and approved resolutions on matters such as population, human settlements, energy, agriculture, and water resources.

Portugal was admitted to ECLA as a full member and the British and U.S. Virgin Islands as associated members. Both groups of islands have a right to ECLA's aid plan for colonial territories.

The United States, one of the powers having jurisdiction over a group of these islands, was asked to begin implementing a decolonization process in the territory under its control, according to the principles established in the UN Charter.

In 1986, 40 full members and 4 associated members are expected to attend ECLA's meeting in Lima, when ECLA changes its name to the Economic Commission for Latin America and the Caribbean. However, it will retain its acronym.

U.S. ICJ DECISION, PORT MINING CENSURED

Situation Said Deteriorating

PA121851 Havana International Service in Spanish 2310 GMT 11 Apr 84

["Our America" commentary]

[Excerpt] The Central American political and social situation continues to be a matter of concern for governments and democratic forces in the world, particularly in our America.

A few days ago, Contadora Group foreign ministers warned in Panama City that the regional situation had seriously deteriorated. They noted that sophisticated weapons, new military methods, and dangerous attack techniques have been introduced in the ist while at the same time operations such as the mining of ports affect the economy, disturb trade, and endanger free navigation rights.

The Mexican, Colombian, Venezuelan, and Panamanian foreign ministers have said that the increasingly notorious presence of foreign advisers and troops in Central America, the arms buildup, and other war activities contribute to increased tension and further distrust.

The U.S. Government, the main destabilizing factor in the region, has explicitly refused to cooperate in the search for negotiated solutions to the crisis. Most recent proof of this has been the U.S. refusal to abide by any ruling of The Hague International Court of Justice, ICJ, regarding the Central American situation. Anticipation of reports stating that the Nicaraguan Government was planning to present charges before this Court of Justice compelled the U.S. State Department to reveal its interventionist strategy when it announced that the U.S. Government would not accept a decision from this court. In fact, there is no doubt that an international investigation would immediately prove Washington's role in the mining of Nicaraguan ports and other terrorist actions and armed attacks against the Sandinist revolution.

As U.S. intelligence sources have disclosed, the mining of Nicaraguan ports was carried out by CIA experts, and therefore constitutes a direct attack by the United States against this Central American nation.

Ortega Denounces Mining

FL121632 Havana Domestic Service in Spanish 1504 GMT 12 Apr 84

[Text] Daniel Ortega, commander of the Junta of the Government of National Reconstruction, has stated that the policy of aggression that the United States is following could provoke a large military conflict in Central America. At a press conference in Managua following talks with Allan MacEachen, Canadian deputy prime minister and minister of state for external relations, the Nicaraguan leader pointed out that the Reagan administration is continuing to escalate the undeclared war against Nicaragua. Ortega said that the Nicaraguan people are fighting against more than 8,000 mercenaries in the service of U.S. imperialism. He said that the mining of the Nicaraguan harbors by CIA agents is part of the United States' aggression against his country.

POST Cited on CIA Plans

PA120509 Havana International Service in Spanish 1600 GMT 11 Apr 84

[Text] U.S. President Ronald Reagan had given his approval of the CIA plans to mine Nicaraguan ports, according to official sources cited by THE WASHINGTON POST. The paper says that the overall plan developed by the espionage agency is designed to destroy Nicaragua's economy and exert military and political pressure on the Sandinist government. The paper adds that the question of whether to continue or suspend the mining operations is presently being studied at high levels. In this regard, THE WASHINGTON POST states that apparently the prevailing trend in the U.S. Government, as a result of the Congress' rebellion, seems to be in favor of a temporary halt in the blockade of the ports. The paper says that sources linked to the White House have said that the mining was stopped 2 days ago, and that the ship used by the CIA for the operation has left the area.

Mexican Press on ICJ Charge

PA120506 Havana International Service in Spanish 0000 GMT 11 Apr 84

[Text] The Mexican newspapers have given full coverage to the charge presented by the Nicaraguan Government before the International Court of Justice [ICJ] in The Hague that the United States is organizing and directing the armed aggression against Nicaraguan territory. Articles and editorials published by the Mexican press all emphasize the fact that the United States refused to recognize ICJ jurisdiction in this case even before Nicaragua presented its charge.

UNOMASUNO says that the United States cannot deny its involvement in the CIA's violations of international law.

EXCELSIOR stresses that refusing the court's jurisdiction in this case is a legal monstrosity.

Meanwhile, EL FINANCIERO warns that the U.S. attitude reveals a complete lack of inclination to solve the Central American problems by means of a dialogue.

NICARAGUAN DELEGATION LEAVES DPRK FOR MOSCOW

PA120003 Havana International Service in Spanish 1800 GMT 10 Apr 84

[Text] The Nicaraguan military delegation headed by Defense Minister Commander Humberto Ortega has left Pyongyang for Moscow following an official and friendly visit to the DPRK. In that Asian country, Ortega and his retinue were welcomed by DPRK President Kim Il-song and other political and military leaders.

NICARAGUA'S RAMIREZ SUSPENDS U.S. TRIP

PA122047 Havana International Service in Spanish 1800 GMT 11 Apr 84

[Text] Sergio Ramirez Mercado, member of the Nicaraguan Junta of the Government of National Reconstruction, has suspended the conferences he had planned to offer at more than 10 U.S. universities because U.S. authorities have limited his visa to the state of Kansas.

The Nicaraguan Foreign Minister has reported that Ramirez' passport was picked up from the U.S. Embassy in Managua in view of the delaying tactics used in granting the visa and restrictions imposed on his visit, allowing him to visit only the state of Kansas. The source added that such restrictions are unacceptable for the Nicaraguan Government and are in sharp contrast to Nicaragua's stance of unconditionally receiving U.S. diplomats and officials.

Washington has previously refused to grant visas to Nicaraguan officials such as Interior Minister Tomas Borge and State Council President Carlos Nunez.

FMLN WILL FIGHT DURING SALVADORAN ELECTIONS

FL120204 Havana Domestic Service in Spanish 0000 GMT 12 Apr 84

[Text] The FMLN has again reiterated its rejection of the electoral process that will take place in El Salvador on 6 May. The declaration of the Salvadoran insurrectionist forces specifies that they will not cease fighting before, during, or after the elections, so that Reagan's interventionist plans will encounter opposition at every moment.

SALVADORAN ARMY INTENSIFIES SECURITY MEASURES

L120226 Havana Television Service in Spanish 0100 GMT 12 Apr 84

Text] Intense fighting has taken place in the last few hours between Salvadoran overnment forces and FMLN forces in the area of Tenancingo. It has become known that he Army will intensify security measures on the highways, at economic nerve centers, nd in the most important cities.

PARAMILITARY GROUP ATTACKS PEASANTS IN HONDURAS

FL121424 Havana Television Service in Spanish 1200 GMT 12 Apr 84

[Text] An attack by a paramilitary group on the Hacienda Pinuela in the Honduran Department of Francisco Morazan claimed 11 victims, according to reports from T Yesterday afternoon, about 15 heavily armed men in the service of landowner Andres Baleriano murdered three peasants, wounded three, and kidnapped five others who were peacefully occupying 350 hectares of the Hacienda Pinuela.

About 80 peasant families decided to use their own methods to recover land that belonged to them after petitioning for 5 years that the land be given back to them and not receiving a response. Honduran peasant leader Lucas Aguilera told the news media that Jose Dimas, Matilde Aguillar, and Martin Ortez were murdered and three others were seriously wounded.

DYNAMITE ATTACKS DESTROY POWER PYLONS IN CHILE

PA121658 Havana International Service in Spanish 1600 GMT 12 Apr 84

[Text] Five dynamite attacks occured last night and early this morning in Santiago and Punta Arenas, in the country's southern region. In Santiago, explosions destroyed several power pylons, while a car was damaged in Punta Arenas. Hundreds of dynamite attacks have occurred in Santiago and Chile's main provincial cities in the past few months against the power systems and strategic targets of the dictatorship.

According to other reports, a Chilean military attorney general has demanded the death penalty for seven persons accused by Pinochet's regime of robbing three banks 3 December 1983. They are Victor Manuel Zuniga, Carlos Garcia, Gonzalo Gonzalez, Rodolfo Rodriguez, Nelson Ariel, Juan Fajardo, and Vivian Ortega, who have also been accused of belonging to the illegal Movement of the Revolutionary Left [MIR]. In addition, the regime demanded the death penalty for three other MIR members.

It has also been reported that the Chilean National Workers Command called for a meeting to be held next Saturday in order to determine the date for a new national protest against the regime.

PARAGUAYAN COMMUNIST DISCUSSES PARTY ACTIVITIES

PA042231 Havana International Service in Spanish 0000 GMT 3 Apr 84

[Interview with engineer Virgilio Bareiro, member of the Paraguayan Communist Party, by Radio Havana Cuba reporter Nestor Nunez; no place or date given -- recorded]

[Text] [Nunez] Today we interview engineer Virgilio Bareiro, who spent 16 years in Paraguayan prisons.

[Bareiro] Well, first of all, I must point out that the Communist Party's activities in Paraguay are totally clandestine. Its leaders must work underground to carry out their political activities. Some of them have often been forced to leave the country. The party works in secrecy with students, workers, peasants, and all other social sectors. In our country we cannot say that these people are actually members of the Communist Party. However, the increased struggle of the Paraguayan people is closely related to our party's activities in all social sectors.

[Nunez] Do you think that the political process underway in Argentina, the protest demonstrations in Chile, and the recent popular demonstrations in Uruguay have had any influence in Paraguay at this time?

[Bareiro] Paraguayan politics have always been closely linked and influenced by the struggles in our neighboring nations, particularly Argentina and Uruguay. In fact, many of our companeros have lived for many years in exile in Argentina, Uruguay, and also in Brazil. Often, when repression is strong in those countries, it affects our compeneros, some of whom have even lost their lives. In fact, in Argentina, of the 30,000 missing persons reported there in the last 10 years while the Armed Forces held power, over 50 are Paraguayans. The communists of Paraguay have always been persecuted, even beyond our own borders. In fact, many have been killed abroad, as well as members of other opposition parties, such as Dr (Agustin Oyguru), an outstanding member of the Colorado Party, who has been recently reported missing. This has happened to many workers, labor leaders, and intellectuals, including the well-known cases of Antonio Maidana and Emilio Roa, who were arrested in August 1980 on a street in Buenos Aires, Argentina.

Any political changes in these neighboring countries are naturally reflected in our country, as in the case of the new Argentine Government, which has already contacted the group of parties that makes up the National Agreement [acuerdo nacional] in Paraguay, whose most noted members were invited to the inauguration of President Alfonsin. There is already talk about a meeting of Latin American political parties, in which the National Agreement most probably will participate.

Besides, about a month ago in Asuncion there was a public act with the participation of several thousand people where speakers of different political sectors joined the crowd chanting slogans similar to those in Argentina announcing the end of military dictatorship.

POWER OUTAGE IN PERU LINKED TO SHINING PATH

PA121900 Havana International Service in Spanish 1800 GMT 11 Apr 84

[Text] Several dynamite attacks allegedly carried out by the armed group Shining Path have destroyed power pylons and killed five people in the city of Ayacucho. According to reports, the city was left in total darkness. Alleged Shining Path members killed a lieutenant and four privates during an ambush at the civil guard checkpost in (Cunapata) neighborhood in Ayacucho's western sector.

BARBADOS OPPOSITION PARTY CITED ON GRENADA

FL102046 Havana Domestic Service in Spanish 1913 GMT 10 Apr 84

[Text] The opposition Barbados Democratic Liberal Party [Partido Liberal Democratico] has requested the withdrawal of Barbadian troops from Grenada. Erskine Sandiford, foreign affairs spokesman for this party, stated that the withdrawal of the Barbadian contingent, which consists of approximately 250 military and police personnel, should be effected as soon as possible.

The spokesman of the Barbados Democratic Liberal Party criticized the plan of the Barbados Government to establish an embassy in St George's, the capital of Grenada. He stated that Barbados should work to establish a diplomatic mission in Trinidad and Tobago, which recently rejected a move by Barbados to do so because of the support that Barbados gave to the U.S. invasion of Grenada.

JAMAICA

FORMER PRIME MINISTER MANLEY INTERVIEWED ON PNP

FL120410 Bridgetown CANA in English 2157 GMT 11 Apr 84

[Excerpt] Kingston, Jamaica, April 11 (CANA) -- Former Jamaica Prime Minister Michael Manley says he has no regrets about his decision not to contest last year's snap general elections.

In an interview with THE GLEANER newspaper's managing editor, J.C. Froute, Manley said: "from every point of view, it was necessary to do what was done."

Manley's People's National Party (PNP) did not contest last December's election, with the political leader explaining this was because it was being conducted with an old voters list and in the absence of electoral reform the government and the PNP had agreed on.

Prime Minister Edward Seaga's Jamaica Labour Party (JLP) made a clean sweep of the polls.

In the interview, Manley said his decision on the election was the single most important one in his public life.

The following is the text of the interview.

Proute: I'd like to begin, Mr Manley, by taking you back to that momentous decision not to contest the election, and for you to tell me if you agonized over it a lot. You must have.

Manley: I have said before, and will say again, that it was the most difficult single decision of my public life -- which answers your question. Yes. I agonized.

Proute: Having now been out of Parliament -- where I suppose you would have been able to exert a different kind of pressure -- having been out of Parliament now for almost three months, do you still feel that it was a proper decision?

Manley: Yes, I have never wavered in the conviction that it was the correct decision. I could say two things about that, because I genuinely believed that political processes reflect the seriousness that one attaches to them in their formative years. One of the things that was very strong in my own mind was how often we've seen a case where countries coming relatively newly into independence begin to flirt with whatever is their political processes -- in our case a plural democracy -- and in the absence of anybody taking a stand that tries to focus the issue sharply, the whole thing just begins to slide into a sort of chronic deterioration "till in the end you have a system that really is a bit of a farce, having regard to its stated objectives."

So that when I think of what I regard as the -- I would almost say the depravity -- of the decision to hold an election with 20 per cent of the people disfranchised, 10 per cent of the list disappeared and dead, and in breach of agreements so solemn that had taken so long to work out -- the years of agonizing and struggle -- the years of the Patterson-Shearer work [word indistinct] I just feel that you had to take a stand. And I have no doubt in my mind that the stand had to be taken, that we had warned we would take it and were ignored, and that... therefore from every point of view it was necessary to do what was done.

Proute: But some people feel that apart, the party had not really reached the point of preparedness for that election.

In fact, after the '80 election you yourself had challenged the party to begin to prepare its candidates and put its candidates in place for the election...

Manley: With respect, if that is even true, what is that about? What has that to do with the principles that were involved? That is a completely separate question. Let's see if we can analyze this thing through. You reach a solemn agreement with the other half of political process that there will be no general election till certain things are ready ... what you are telling me is that one must begin with the assumption that half of the political process is corrupt, that its word means nothing. So, in so far as preparedness is concerned, my first question would be: How could we expect to be prepared if you were in a solemn agreement with people of integrity, that give you a target date which is the earliest there can be an election?

It is like saying in a United States election, why weren't you ready one year early? You can't in America because the elections are held at the date they are held. I felt that the agreement with the Labour Party was of equal force -- just nothing that anybody could ever possibly vary in any way. Well, secondly, even if you disregard all of that, in so far as preparedness is concerned it really doesn't arise, you know. If we really wanted to contest the election, we could have. Not as ready as we would have liked.

When we wanted to put together a first class programme for the two weeks to explain why we weren't contesting we had no difficulty, when we wanted to select the 60 constituency representatives during all of this we had no difficulty,,we did it. No hustle. We could do it. And, in fact we did it. We ran a first class campaign. I think we ran a better campaign for the period than the Labour Party did.

Proute: You talked a while ago about 20 per cent of the voters being disfranchised by the failure to stick to the agreement, but there are some people who feel that the PNP is not contesting the election and also disfranchised its own followers.

Manley: That's a very academic point. That's a sort of cute play on semantics.

Proute: Why do you say that?

Manley: Well, we weren't stopping anybody. If anybody disagreed with us that violently, they were perfectly free to do whatever they wanted. If they wanted to put up a candidate they could -- in fact six candidates were put up. The important thing is that our party had backed us over it. The great majority of our party has backed us over it.

Proute: You say "the great majority," which suggests that there was some disagreement over the course of action.

Manley: Well, I read (Carl) Stone's (opinion) poll. I would expect that there would have been some proportion of the PNP. But, if you break down Stone at that time where you had the proportions between the parties, and then looking at the proportions that felt that there should be new elections and so on and so forth, you will see that we carried the majority of the party -- and that poll was taken before we hit the road. But, you know, even so, that doesn't impress me as an argument in any case. Even if members of our party felt we were wrong, then fine, they can get rid of me as the leader. It's no problem. Every year they have a perfect opportunity to do that.

Proute: What sort of prospect do you consider for the next five years -- the period of the life of Parliament? Do you see the possibility that the party could be out in the cold so to speak, for the next five years as far as Parliament is concerned? Do you see that possibility?

Manley: It is a possibility. It was always a possibility.

Proute: And if it is a possibility and if you see it, think about it. Do you think that your party at this time can maintain the kind of momentum that you would need to bring it back together so that people will begin to see it again as an alternative government?

Manley: Well, I think that you only have to read Stone's polls now to see that....

Proute: That is now, sir. That is now. And I suppose [words indistinct] present situation.

But, supposing the situation began to reverse itself and the present government felt that it could survive the outside pressures.... The public pressures...

Manley: What effect do I think that would have on the PNP? Well, I think it would just make the PNP stronger because... Firstly, the PNP is already demonstrating that the people's forum can be a very powerful instrument of expression. And you must have noticed yourself that the PNP is taking it very seriously and we can say with great dignity that it is giving us a chance to really put forward a serious sort of analysis of problems, sectorally and nationally, and I think that is an important factor.

Secondly, the PNP as it is organised today works very hard on policy as an ongoing part of its activities and therefore the PNP can't be seen in terms of a static analysis, as if it is just an election machinery with no election to contest. But, what has happened is that a tremendously dynamic internal life is unfolding which the talks forces on everything from foreign exchange to primary schools, all of which have been looked at conceptually, strategically, tactically, in trying to weigh the development of things and so on and so forth. So that's a very important fact to bear in mind in the internal life. Thirdly, the party's political education programme, which is still quite rudimentary, but to which we are very, very dedicated, provides another basis of internal life to the organisation.

And, then finally, if the government intends to hold on without any kind of election for five years, it had better not assume a quiescent PNP. That's four things to think about in answer to your question.

Proute: You talk of the government not assuming a quiescent PNP. But, in your '81 speech you seemed to me to be slightly more conciliatory than we had seen in the two-party struggle before that, and in fact you, to my mind, were very low-keyed in that budget speech in terms of confrontations. You even said that you weren't interested in confrontation politics. Yet recently you talked about wiping the JLP into political oblivion, and so on, and this was taken up by one columnist as far as I can remember, and he was suggesting that you are entering into confrontationist politics.

Manley: Let me say this: I think that the holding of that election is a gross act of provocation, really. I regard it as a grossly provocative act. I think it was a cynical thing. I think it was done at a time when the opposition had bent over backwards to give this country a chance to heal -- to not have its economic endeavours knocked sideways by propaganda and any tension that we could cause. I think we really tried very hard for three years to give the country every possible chance and I think we were kicked in the teeth. And, when you kick people in the teeth you know...

Proute: You were reacting then?

Manley: Well, I wouldn't say that I have exactly the same perspective, post the calling of that election to my perspective, pre the calling of that election.

Proute: The people's forum... You say it is succeeding. You've had two so far. What sort of public participation is there? The word "people" in that title suggests that you expect to get a people involvement -- a real people involvement and not just members of your party per se, or members of the organizations which you invite, but people from the general public.

Manley: Yes.

Proute: Have you been getting that kind of participation?

Manley: We've been getting some interest in it, and I'll be very frank with you. That is my disappointment in it so far -- that we've not really got that aspect of it going effectively. I think it may be that people may have held back for a while to see whether we were going to use it just -- you know, as if it were another public meeting, to be strident and purely rhetorical, and so on. And, I'm rather hoping that now that people see that we are treating it very seriously, that we've made it clear that people will be welcome if they want to come and criticize us as well as the government, and that we are interested in people who have an original contribution to make, a new point of view to express, or an aspect of the Jamaican problematic that may not have occurred to us -- that in all of that, they are welcome. I am hoping that that side of it will not begin to take off in future forums.

Proute: You used the word "strident" a while ago. Do you find that you have to keep some of your members on a tight rein to avoid that kind of open strident expression?

Manley: No. I've been very pleased to see that once we settled on the idea that it was to be almost like a parallel parliament -- you know, something in which we were trying to say things seriously -- I found, curiously, because poeple think that it is their own thing that they tend to be less strident than they are in Parliament. Quite honestly, I have been delighted to observe that one has not had to make a noise.

Proute: Do you feel that inputs from the general public -- organisations and so on -- will help to form the party's own policies in the future?

Manley: Oh, it would help enormously, you know, in the whole task force work that we are doing with varying success we try very hard to develop an outreach to different elements in the society so that the planning work can be enriched by what institutions and organisations are thinking. Some cooperate, some seem to be too nervous to cooperate, but I can tell you that the PNP of today is very sensitive to that kind of input and genuinely wants to see how far we can evolve a policy that is consistent with principle, but is as practical as possible and that can come as near to a type of consensus as possible, consistent with the principles.

Proute: I'm glad you mentioned the word consensus because this was what I was going to ask you to comment on -- whether you think that this brings you nearer to that point of consensus which you were searching for so very hard when you were head of the government.

Manley: I can only say I hope so. You see, one of the things that I am hoping is that by doing so much of this work now when we are not in office that you can achieve two things: One, that your own policy specifics can reflect that wide kind of experience and response.... Hopefully, and two that the very fact of trying to build the contract with groups while in opposition will in itself help build an understanding of what you are trying to do.

One, for you to understand what sections of the society really think, and (two), for them to understand what you are trying to do. Do you see what I mean?

Proute: Yes. But, do you think this consensus is absoultely necessary to a sorting out the social dichotomies?

Manley: Well, let me put it this way: I don't think that an absolute consensus is possible. Obviously, I think there are very real differences in group and class interests, which will always have elements of conflicts to them. But, I feel that -- I've always felt this, I still feel it -- that when you are a Third World country, trying to develop within the framework of the competitive plural democratic system, that that there is an obligation to try to maximise participation and agreement. Because everything in the natural working of the political system is so divisive. To me, you know, the great problem of Third World countries, grappling with the imperatives of development, the problems of the lack of human infrastructure, grappling with the massive difficulty of poverty, the great problem is the problem of mobilisation.

The truth of the matter is, when you think of a Third World country caught between its expectations, which are determined internationally, and its means, which are the product of its circumstances, if it is ever to close the gap between the two things, it needs the kind of natural approach that one associates with a country at war. You know, Churchill led Great Britain to a tremendous effort to mobilise production, this, that, and the other, and achieved extraordinary results in the artificial circumstances of the challenge of the war. No, we don't have a war...

Proute: But we have a war. We have a war with poverty.

Manley: But, what I am trying to explain is, we don't have that nice, easily identified war. There are no massed troops of a country about to invade you. Everybody relates to that quickly, excitedly. All classes get excited and say: " ome on, let's get together and do what we have to do."

How do you get these people to bring the same spirit to the struggle with poverty where you have to do two things: Not only work on your economic and your production, but you also have to work on social injustice? You have to have a set of social objectives which begin to close certain gaps. And, the minute you have to touch that side of it then right away the haves become tense...And, the have-nots become importunate, and you get into all those other problems. And this is the thing that is the great challenge to statecraft in Third World countries that are plural democracies.

Proute: Do you feel that in your period of government you had lacked that full appreciation of that problem of how to apply the dynamics?

Manley: Oh, no. I was terribly aware of the problem of the mobilisation and wanting of the country. My God, I used to stomp up and down the place calling for production, calling for efficiency, appealing to patriotism. But at the same time we were pursuing very uncompromisingly certain social changes that we thought were necessary and which upset people very deeply and created tremendous divisions even while we were trying to mobilise for great national exports. So that what one learnt was, just from the experience, how difficult the whole thing is.

Proute: How would you react to a suggestion which I've heard, that your forum outside of Parliament -- a one-party kind of situation -- the one party situation in parliament, is a sort of political stand-off. How would you react to that?

Manley: I suppose in a superficial sense it is true. You know, one party is in Parliament, the other party is talking out of Parliament. I suppose if you look at it from that point of view, that is like a stand-off. But, it is not a permanent situation. We are very clear in our minds that the quicker we have a proper Parliament that reflects the popular will as between the two parties, the better. We intend to campaign vigorously for that, and we've also made it clear that the minute this new system is in place -- which we now gather ought to be possible in June -- the minute it is ready, we are ready...for everything.

Proute: How do you see the two parties in such a dynamic situation ever being able to work out a set of ground rules and a set of principles which we can come to live with, which would make life more comfortable politically for all concerned, which would make for more stable government and so on? Because, I think one of the problems in Jamaica is that we have not been able to come to terms with those ground rules which we all accept as the ground rules by which we will work. What do you say to this.

Manley: You know what worries me... I know exactly what you mean and I think it is very important -- and what's more I think you have expressed it very well, if I may so so... I feel that we had made two tremendous steps forward. One was in the mere fact that we'd worked out -- we thought that we had worked out -- a good system of electoral reform. I really thought that was a good start. And then, as you know, we had made this approach -- about beginning to talk about peace and how we might try to defuse political violence and ghetto violence that would have a political connotation. Talks had started and we had more offers that if the government felt that we could help with foreign exchange leakage we'd be happy to do anything we could there...

Then there was a suggestion from the church about dealing with hard drugs, and we immediately said yes, we would be happy to participate. And I really thought that a number of really useful beginnings were involved. Because, you are quite right that the country has got to learn that its political disagreements take place within a management framework. I think it is terribly important. And, that is one of the reasons why I will tell you that personally, I was profoundly disappointed and disturbed by the calling of that election.